

## INCREASING RATES OF, AND LIBERALIZING THE BASIS FOR PAYMENT OF, NON-SERVICE-CONNECTED PEN- SION AND SERVICE-CONNECTED COMPENSATION

JUNE 8, 1956.—Committed to the Committee of the Whole House on the State of  
the Union and ordered to be printed

Mr. TEAGUE of Texas, from the Committee on Veterans' Affairs, sub-  
mitted the following

### R E P O R T

[To accompany H. R. 7886]

The Committee on Veterans' Affairs, to whom was referred the bill (H. R. 7886) to amend part III of Veterans Regulation No. 1 (a) to liberalize the basis for, and increase the monthly rates of, disability pension awards, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

On page 1, between line 2 and 3 insert the following: "TITLE I—NON-SERVICE-CONNECTED DISABILITY AND DEATH PENSION".

On page 2, line 16, strike "and".

On page 2, line 21, strike the period and the quotation mark and insert "; and".

On page 2, between lines 21 and 22 insert:

(3) if the eligible person served outside the continental limits of the United States for a period of thirty days or more during the creditable period of service, the foregoing amounts of pension shall be increased by twenty per centum.

Beginning on page 2, line 22, strike out all of sections 2 and 3 down to and including line 12 on page 3.

Beginning on page 3, insert the following sections:

SEC. 2. That subsection (a) of section 1 of the Act entitled "An Act to compensate widows and children of persons who died while receiving monetary benefits for disabilities directly incurred in or aggravated by active military or

naval service in the World War", approved June 28, 1934 (38 U. S. C., sec. 503), is amended by inserting immediately after "1920," the following: "or in World War II before January 1, 1947,".

SEC. 3. Section 2 of the Act of June 28, 1934 (48 Stat. 1281), as amended (38 U. S. C. 504), is hereby amended to read as follows:

"SEC. 2. The monthly rates of pension shall be as follows: Widow but no child, \$75; widow and one child, \$95 (with \$11.25 for each additional child); no widow but one child, \$41; no widow but two children, \$62 (equally divided); no widow but three children, \$82 (equally divided) with \$11.25 for each additional child (the total amount to be equally divided)."

SEC. 4. (a) That section 8 of the Act of May 1, 1926, as amended by section 3 of the Act of March 1, 1944 (58 Stat. 107), as amended (38 U. S. C. 364g), is amended to read as follows:

"SEC. 8. The rates of pension payable to widows and former widows under the provisions of section 2 of this Act, as amended, are hereby increased to \$75 monthly."

(b) Section 1 of the Act of June 24, 1948 (62 Stat. 645; 38 U. S. C. 364i), is amended by deleting the words: "authorized by section 4 of the Act of August 7, 1946 (Public Law 611, Seventy-ninth Congress), as amended by the Act of July 30, 1947 (Public Law 270, Eightieth Congress)", and inserting in lieu thereof the following: "prescribed by section 3 of the Act of May 1, 1926, as amended by section 3 of the Act of March 1, 1944 (58 Stat. 107), as now or hereafter amended (38 U. S. C. 364g)".

## TITLE II—SERVICE-CONNECTED DISABILITY AND DEATH COMPENSATION

SEC. 5. That subparagraphs (a) to (j) inclusive, of paragraph II, part I, Veterans Regulation Numbered 1 (a), as amended, are amended to read as follows:

"(a) If and while the disability is rated 10 per centum the monthly compensation shall be \$20.

"(b) If and while the disability is rated 20 per centum the monthly compensation shall be \$40.

"(c) If and while the disability is rated 30 per centum the monthly compensation shall be \$60.

"(d) If and while the disability is rated 40 per centum the monthly compensation shall be \$80.

"(e) If and while the disability is rated 50 per centum the monthly compensation shall be \$100.

"(f) If and while the disability is rated 60 per centum the monthly compensation shall be \$120.

"(g) If and while the disability is rated 70 per centum the monthly compensation shall be \$140.

"(h) If and while the disability is rated 80 per centum the monthly compensation shall be \$160.

"(i) If and while the disability is rated 90 per centum the monthly compensation shall be \$180.

"(j) If and while the disability is rated as total the monthly compensation shall be \$250."

SEC. 6. (a) Subparagraph (k), paragraph II, part I, Veterans' Regulation Numbered 1 (a), as amended, is amended by deleting "\$47" wherever it appears and inserting in lieu thereof "\$55", and the subparagraph is further amended by increasing the maximum rate of compensation set forth therein to \$450 per month.

(b) The rate of compensation payable under subparagraph (l), paragraph II, part I, Veterans' Regulation Numbered 1 (a) as amended, is hereby increased to \$300.

(c) The rate of compensation payable under subparagraph (m) paragraph II, part I, Veterans' Regulation Numbered 1 (a), as amended is hereby increased to \$350.

(d) The rate of compensation payable under subparagraph (n) paragraph II, part I, Veterans' Regulation Numbered 1 (a), as amended, is hereby increased to \$400.

(e) The rates of compensation payable under subparagraphs (o) and (p), paragraph II, part I, Veterans' Regulation Numbered 1 (a), as amended, are hereby increased to \$450.

(f) The minimum rate of compensation payable under subparagraph (q), paragraph II, part I, Veterans' Regulation Numbered 1 (a), as amended, for an arrested tuberculosis disease, is hereby increased to \$75.

SEC. 7. The basic rate of compensation provided by section 202 of the World War Veterans' Act, 1924, as amended, for any disability rated as total is hereby increased to \$250 per month. If and while the disability is rated as partial, the monthly compensation shall be the same percentage of \$200 as the degree of the reduction in earning capacity resulting from the disability, but no compensation shall be payable for a reduction in earning capacity rated at less than 10 per centum.

SEC. 8. The rate of compensation payable under section 202 (3) of the World War Veterans' Act, 1924, as amended, for the loss of the use of both eyes is hereby increased to \$300; the rate payable under that section for the loss of use of both eyes and one or more limbs is hereby increased to \$400; the rate payable under that section for double total permanent disability is hereby increased to \$400; and the additional compensation payable under that section for the loss of the use of a creative organ or one or more feet or hands is hereby increased to \$55.

SEC. 9. The additional sum payable under section 202 (5) of the World War Veterans' Act, 1924, as amended, for a disabled person in need of a nurse or attendant, is hereby increased to \$80.

SEC. 10. The minimum rate of compensation payable under section 202 (7) of the World War Veterans' Act, 1924, as amended, for an arrested tuberculosis disease, is hereby increased to \$75.

SEC. 11. (a) Section 1 of Public Law 877, 80th Congress, as amended (38 U. S. C. 740), is hereby amended to read as follows:

"That any person entitled to compensation at wartime rates for disability incurred in or aggravated by active service as provided in part I, or paragraph I (c), part II, Veterans Regulation Numbered 1 (a), as amended, or the World War Veterans' Act, 1924, as amended, and restored with limitations by Public Law 141, Seventy-third Congress, March 28, 1934, as amended, and whose disability is rated not less than 10 per centum, shall be entitled to additional compensation for dependents in the following monthly amounts:

"(1) If and while rated totally disabled and—

"(a) has a wife but no child living, \$25;

"(b) has a wife and one child living, \$41;

"(c) has a wife and two children living, \$53;

"(d) has a wife and three or more children living, \$65;

"(e) has no wife but one child living, \$17;

"(f) has no wife but two children living, \$29;

"(g) has no wife but three or more children living, \$41;

"(h) has a mother or father, either or both dependent upon him for support, then, in addition to the above amounts, \$21 for each parent so dependent.

"(2) If and while partially disabled, but not less than 10 per centum, in an amount having same ratio to the amount specified in subsection (1) hereof as the degree of his disability bears to the total disability."

(b) Section 2 of Public Law 877, 80th Congress (38 U. S. C. 741), is hereby amended to read as follows:

"That any person entitled to compensation at peacetime rates for disability incurred in or aggravated by active service as provided in paragraph II, part II, Veterans Regulation Numbered 1 (a), as amended, except paragraph I (c) thereof, and whose disability is rated not less than 10 per centum, shall be entitled to additional compensation for dependents at a rate equal to 80 per centum of the additional compensation now or hereafter payable under section 1."

SEC. 12. Paragraph IV, part I, Veterans Regulation Numbered 1 (a), as amended, is hereby amended to read as follows:

"The surviving widow, child, or children, and dependent mother or father of any deceased person who died as the result of injury or disease incurred in or aggravated by active military or naval service as provided in part I, paragraph I hereof, shall be entitled to receive compensation at the monthly rates specified next below:

"Widow but no child, \$125; widow with one child, \$160 (with \$35 for each additional child); no widow but one child, \$75; no widow but two children, \$100 (equally divided); no widow but three children, \$150 (equally divided) (with \$30 for each additional child, total amount to be equally divided); dependent mother or father, \$80 (or both), \$45 each."



## TITLE III—BURIAL ALLOWANCE

SEC. 13. That Veterans Regulation Numbered 9 (a) is hereby amended by striking out "\$150" each place it occurs therein, and inserting in lieu thereof each time "\$200".

## TITLE IV—REPEALS AND EFFECTIVE DATE

SEC. 14. (a) The following provisions of law are repealed:

(1) Section 6 of the Act of December 14, 1944 (38 U. S. C., sec. 735); and

(2) Section 4 of the Act of May 27, 1944 (38 U. S. C., sec. 507b).

(b) Persons entitled to pension for the day before the effective date of this Act by reason of the provisions of law repealed by subsection (a) shall receive pension on and after such effective date under the Act of June 28, 1934 (38 U. S. C., secs. 503-507a), as though their original award of pension had been made under such Act of June 28, 1934.

SEC. 15. No amendment or repeal made by this Act shall affect the entitlement of any person to compensation or pension for periods before the effective date of the Act.

SEC. 16. The amendment made by section 13 of this Act shall apply only with respect to deaths occurring on or after the effective date of this Act.

SEC. 17. This Act shall take effect on the first day of the second calendar month which begins after the date of its enactment.

Amend the title so as to read:

A bill to increase rates of, and liberalize the basis for payment of, non-service-connected pension and service-connected compensation, and for other purposes.

## BACKGROUND OF PENSION TITLE

## EXPLANATION OF EXISTING LAWS GOVERNING NON-SERVICE-CONNECTED PENSION FOR VETERANS OF WORLD WARS I, II OR KOREAN CONFLICT

Under existing law (Veterans Regulation No. 1 (a), pt. III, as amended), veterans of World War I, World War II, the Spanish-American War, Philippine Insurrection, and Boxer Rebellion are eligible for pension based on permanent and total non-service-connected disability. Pension is payable to any such veteran who served in the active military or naval service for a period of 90 days or more during such wars and who was discharged therefrom under conditions other than dishonorable, or who, having served less than 90 days, was discharged for disability incurred in service in line of duty. The veteran must have been in active service before the cessation of hostilities and be suffering from non-service-connected permanent and total disability not incurred as a result of his own willful misconduct or vicious habits. The rate is \$66.15 per month, except that where the veteran shall have been rated permanent and total and has been in receipt of pension for a continuous period of 10 years or reaches the age of 65 years and is permanently and totally disabled, the rate

is \$78.75 per month. A rate of \$135.45 per month is authorized in the case of an otherwise eligible veteran who is, on account of age or physical or mental disability, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person. Such pension is not payable to any unmarried person whose annual income exceeds \$1,400 or to any married person or any person with minor children whose annual income exceeds \$2,700. Any person who served in the active service in the Armed Forces of the United States on or after June 27, 1950, and prior to February 1, 1955, is also eligible for pension under part III as provided in the act of May 11, 1951 (Public Law 28, 82d Cong.).

In the administration of the aforementioned provisions the determination of permanent total disability is made on a very liberal basis. Such a rating is granted (where the requirement of permanence is met) when there is a single disability of 60 percent or 2 or more disabilities 1 of which is 40 percent in degree, combined with other disability or disabilities to a total of 70 percent, and unemployability attributed thereto. Although age alone is not considered as a basis for entitlement to such pension, it is considered in association with disability and unemployability in determining permanent and total disability. The aforementioned percentage requirements are reduced on the attainment of age 55 to a 60 percent rating for 1 or more disabilities, with no percentage requirement for any 1 disability; at age 60 to a 50 percent rating for 1 or more disabilities; and at age 65 to 1 disability ratable at 10 percent or more. When these reduced percentage requirements are met and the disability or disabilities involved are of a permanent nature, a permanent and total disability rating will be assigned, if the veteran is determined to be unable to secure and follow substantially gainful employment by reason of such disability.

Hearings on all pension legislation numbering at that time 76 bills, were held before the full committee February 27 to March 1, 1956, inclusive.

#### EXPLANATION OF THE BILL

##### TITLE I

Section 1 provides increased rates of non-service-connected disability pension for an otherwise eligible veteran of World War I, II, and Korea who is disabled to a specified degree as indicated earlier in the background statement of this legislation. If less than age 65, he will be entitled under this section, to a pension of \$85 a month. Upon reaching age 65, when he is presumed by the section to be permanently and totally disabled, or when he has been rated permanently and totally disabled for 10 years, the rate shall be increased to \$105. When the veteran is helpless or blind or so nearly so as to need the regular aid and attendance of another person, the rate shall be \$150 a month. All of the above rates are increased by 20 percent, if the veteran served overseas for 30 days or more during a creditable period of service.

Section 2 places the widow of World War II and Korea on the same basis as World War I for eligibility purposes for pensions. Today an eligible widow of a World War I veteran is entitled to a pension upon the death of her husband regardless whether or not he had a

service-connected disability. On the other hand, widows of World War II and Korea are not entitled to a non-service-connected pension, unless they can show that at the time of their husband's death he was suffering from a disability—no matter how slight, which had been determined to be service-connected. This provision would make uniform the eligibility requirements of the widows of the three wars—I, II, and Korea.

Section 3 provides an increase in the monthly rate of pensions for widows of World Wars I, II, and Korea from the present level of \$50.40 to \$75, with proportionate increases for widows with children and for children without a mother. These widows are subject to an annual income limitation of \$1,400, if there is no minor child or children, or \$2,700, if there is a minor child or children. Income limitations also apply in cases of children alone. In view of this section and section 4, for the first time the rates of pension for widows of the Spanish-American War, World Wars I, II, and Korea will be on a parity.

Section 4 provides for a basic rate of \$75 a month for widows of the Spanish War. This is in contrast with the existing rates of \$54.18 and \$67.73. The latter rate is for the widow if she was the wife of the veteran during service. The section would also increase rates for children under age 16 where there is no eligible widow.

Sections 1, 2, 3, and 4 would provide the rates indicated in the tables below:

*Pension rates: Indian wars, Civil War, Spanish-American War, Philippine Insurrection, Boxer Rebellion, World War I, World War II, and service on or after June 27, 1950*

Indian wars	Civil War	Spanish-American War, Philippine Insurrection, and Boxer Rebellion		World War I, World War II, and service on or after June 27, 1950 <sup>1</sup>	H. R. 7886 as reported <sup>2</sup>
		Service pension laws in effect Mar. 19, 1933, reenacted by Public Law 269, 74th Cong., Aug. 13, 1935, as modified or amended			
30 days or more service or through campaign in connection with or in zone of active Indian hostilities. Rates: 1/10 disability or more. \$101.59 Age 62 or over. 101.59 Aid and attendance. 135.45	90 days or more service or discharge for disability incurred in line of duty. Rate. \$101.59 Aid and attendance. 135.45	90 days or more service or discharge for disability incurred in line of duty. Rates: 1/10 disability or more. \$101.59 Age 62 or over. 101.59 Aid and attendance. 135.45	70 days or more service but less than 90 days. Rates: 1/10 disability or more. \$67.73 Age 62 or over. 67.73 Aid and attendance. 88.04	90 days or more service or discharge for disability incurred in line of duty. In active service before cessation of hostilities. Rates: Permanent and total. \$66.15 Rated permanent and total for continuous period of 10 years or reach age 65 years. 78.75 Aid and attendance. 135.45	\$85          * 105 150

<sup>1</sup> Also available to Spanish War group veterans. However, such veterans generally are entitled to, and take, the higher service pension rates set forth in col. 3.

<sup>2</sup> Person deemed to be permanently and totally disabled at age 65. Rates in this column increased by 20 percent if veteran served overseas 30 days or more.

\* This rate available when rated permanent and total for aggregate period of 10 years.

*Pension rates for widows and children, all wars*

For non-service-connected deaths	Widow	Widow age 70	If widow was wife of veteran during service	Widow, 1 child	Each additional child	No widow, 1 child	No widow, 2 children	No widow, 3 children	Each additional child
Service on or after June 27, 1950, World War II, World War I. <sup>1</sup>	\$50.40, \$75...	-----	-----	\$63, \$95.....	\$7.56, \$11.25...	\$27.30, \$41...	\$40.95, \$62...	\$54.60, \$82...	\$7.56, \$11.25.
Spanish-American War, Philippine Insurrection, Boxer Rebellion: <sup>2</sup>									
Act of May 1, 1926, as amended.....	\$54.18, \$75...	-----	\$67.73, \$75...	{ \$62.31, \$75.86, \$83.15. }	\$8.13.....	\$62.31, \$83.13.	\$70.44, \$91.26.	\$78.57, \$99.39	\$8.13.
Sec. 1, Public Law 144, 78th Cong., July 13, 1943.	-----	-----	-----	-----	-----	\$27.30, \$41...	\$40.95, \$62...	\$54.60, \$82...	\$7.56, \$11.25.
Civil War, Indian wars.....	\$40.64.....	\$54.18...	\$67.73.....	{ \$48.77, \$62.31, \$75.86. }	\$8.13.....	\$48.77.....	\$56.90.....	\$65.03.....	\$8.13.

<sup>1</sup> Subject to income limits of \$1,400 annually if without children and \$2,700 if with children. Limitations also apply to children alone.

<sup>2</sup> No income limits.

NOTE.—Figures in italics are as reported in H. R. 7886.



## TITLE II—SERVICE-CONNECTED COMPENSATION

## Background of compensation title

The term "compensation" has been defined by law to mean "monetary benefits granted under laws administered by the Veterans' Administration \* \* \* other than retirement pay, for service-connected disability or death." In other words, amounts granted where the veteran is injured in service, contracts a disease in service, or suffers an aggravation of a pre-service-existing disability is called compensation. Similarly, amounts paid to dependents where the veteran died as a result of service are designated compensation.

The veteran with a disability has his degree of disability determined by a rating schedule promulgated in 1945 and to which amendments have been made from time to time. The schedule applies chiefly to World War II veterans and veterans of service since that time. World War I veterans who have been rated under a 1925 schedule are protected, under certain conditions, in their rating under that schedule. They, however, may be rerated and receive benefits under the 1945 schedule if it is more favorable to their individual case.

Inherent in this compensation system is the so-called presumptive law which generally provides that any chronic or tropical disease, listed in the law and appropriate VA regulations, which becomes manifest within 1 year from the date of the veteran's discharge from service shall be considered to be service connected, subject to rebuttal. In the case of tuberculosis, this period is 3 years; multiple sclerosis has a 2-year period; psychosis has a 1-year additional period which provides priority in admission to a hospital for medical care, but does not carry with it any entitlement to compensation in this second year. In addition, there is a rebuttable presumption of soundness upon entry into active service in all cases except as to service connection of psychosis for hospitalization purposes.

Peacetime rates are 80 percent of the wartime amounts and presumptions for chronic diseases do not apply in the case of peacetime service.

Hearings on all compensation measures, numbering at that time 51 proposals, were held before the full committee March 21 to 23, 1956, inclusive.

Sections 5 and 6 provide increases in the rates of service-connected compensation indicated in the table below:

# 10 NON-SERVICE AND SERVICE-CONNECTED COMPENSATION

*Rates of compensation for wartime and peacetime service-connected disabilities under Public Law 2, 73d Cong., as amended, and Veterans Regulations*

	War service-connected rates, Veterans Regulation 1 (a), as amended, pt. I	H. R. 7886 as reported
(a) 10 percent disability.....	\$17	\$20
(b) 20 percent disability.....	33	40
(c) 30 percent disability.....	50	60
(d) 40 percent disability.....	66	80
(e) 50 percent disability.....	91	100
(f) 60 percent disability.....	109	120
(g) 70 percent disability.....	127	140
(h) 80 percent disability.....	145	160
(i) 90 percent disability.....	163	180
(j) Total disability.....	181	250
(k) Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or blindness of 1 eye, having only light perception, rates (a) to (j) increased monthly by.....	47	55
Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or blindness of 1 eye, having only light perception, in addition to requirement for any of rates in (l) to (n), rate increased monthly for each loss or loss of use by.....	1 47	55
(l) Anatomical loss, or loss of use of both hands, or both feet, or 1 hand and 1 foot, or blind both eyes with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, monthly compensation.....	279	300
(m) Anatomical loss, or loss of use of 2 extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, monthly compensation.....	329	350
(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent use of prosthetic appliance, or suffered anatomical loss of both eyes, monthly compensation.....	371	400
(o) Suffered disability under conditions which would entitle him to 2 or more rates in (l) to (n), no condition being considered twice, or suffered total deafness in combination with total blindness with 5/200 visual acuity or less, monthly compensation.....	420	450
(p) In event disabled person's service-incurred disabilities exceed requirements for any of rates prescribed, Administrator, in his discretion, may allow next higher rate, or intermediate rate, but in no event in excess of.....	420	450
(q) Minimum rate for arrested tuberculosis.....	67	75

<sup>1</sup> But in no event to exceed \$420.

*Additional disability compensation because of dependents <sup>1</sup>*

	Wife, no child	Wife, 1 child	Wife, 2 children	Wife, 3 or more chil- dren	No wife, 1 child	No wife, 2 children	No wife, 3 or more children	Dependent parent or parents
Service on or after June 27, 1950.....								
World War II.....								
World War I.....								
Spanish-American War, Philippine Insurrection, Boxer Re- bellion.....	\$21.00	\$35.00	\$45.50	\$56.00	\$14.00	\$24.50	\$35.00	(\$17.50 (1). \$35.00 (2). \$21 each.
Civil War.....	<i>25.00</i>	<i>41.00</i>	<i>53.00</i>	<i>65.00</i>	<i>17.00</i>	<i>29.00</i>	<i>41.00</i>	
Indian wars.....								
Peacetime service (under combat or extrahazardous condi- tions).....								
Regular peacetime service.....	16.80	28.00	36.40	44.80	11.20	19.60	28.00	(\$14.00 (1). \$28.00 (2). \$16.80 each.
	<i>20.00</i>	<i>32.80</i>	<i>42.40</i>	<i>52.00</i>	<i>13.60</i>	<i>23.20</i>	<i>32.80</i>	

<sup>1</sup> Above rates are for 100-percent disability. If and while rated partially disabled, but not less than 50 percent, additional compensation is authorized in an amount having the same ratio to the amount specified in the applicable table, above, as the degree of disability bears to the total disability; e. g., war-service-connected disability of 50 percent, compensation rate \$91.00—if veteran has a wife, his compensation is increased as follows: \$91.00÷\$10.50=\$101.50.

NOTE.—Rates in italic are as reported in H. R. 7886.

Sections 7, 8, 9, and 10 provide for rates similar to those reproduced in the table above but are amendments to the World War Veterans' Act of 1924 and apply largely to veterans of World War I who have been rated under the 1925 Schedule for Rating Disability and who cannot meet the requirements of the 1945 schedule adopted at the close of World War II.

It should be observed that the proposed total disability rate of \$250 is disproportionate to the rates of compensation accorded the disability gradations from 10 percent through 90 percent which represents an effort to give effect to the recommendations of the President's Commission on Veterans' Pensions, the so-called Bradley Commission which found, as to the service-connected field, that veterans rated permanently and totally disabled constituted a class which were not receiving compensation commensurate with the extent of disability.

All of the above rates apply to peacetime service as well—the historic 80-percent formula prevailing. In other words, the peacetime veterans receive 80 percent of the wartime rate.

Under the provisions of Public Law 877 of the 80th Congress, as amended, any veteran rated 50 percent or more disabled, is entitled to additional compensation if he has a wife or a wife and children or dependent parents. Section 11 not only makes this benefit initially available to veterans who are rated 10, 20, 30, or 40 percent disabled, but also increases the basic rate of dependency compensation in all categories. For example, a veteran rated totally disabled who has a wife, under the provisions of this section, will receive a total of \$275 monthly. On the other hand, a man rated 10 percent disabled and who has a wife, would receive \$22.50, i. e., \$20 for the 10 percent disability plus 10 percent of \$25.

Section 12 provides for increases of death compensation for widows with and without children and for children without parents, as well as dependent mothers and fathers. The increases are indicated in the table reproduced below:



## Rates of compensation or pension to widows, children, and parents of deceased veterans

For service-connected death	Widow, no child	Widow, 1 child	Each additional child	No widow, 1 child	No widow, 2 children	No widow, 3 children	Each additional child	Dependent parents
Service on or after June 27, 1950.....								
World War II.....								
World War I.....								
Spanish-American War, Philippine Insurrection, Boxer Rebellion.....	\$87	\$121	\$29	\$67	\$94	\$122	\$23	1 parent, \$75, \$80.
Civil War.....	125	160	35	75	100	160	30	2 parents, \$40 each, \$45 each.
Indian wars.....								
Peacetime (Regular Establishment): Death result of armed conflict, extrahazardous service, including service under conditions simu- lating war, while United States engaged in war.	69.60	96.80	23.20	53.60	75.20	97.60	18.40	1 parent, \$60, \$64.
Peacetime (Regular Establishment): Death not result of armed con- flict, etc.	100	128	28	60	80	120	24	2 parents, \$32 each, \$38 each.

NOTE.—Rates in italics are as reported in H. R. 7836.

## TITLE III—BURIAL ALLOWANCE

Section 13 amends Veterans Regulation No. 9 (a) by providing that in lieu of the present \$150, the sum of \$200 shall be paid as a burial allowance because of the death of an honorably discharged veteran of any war.

## TITLE IV—REPEAL AND EFFECTIVE DATES

Section 14 (a) provides for the repeal of two provisions of law in order to be consistent with the requirement set forth in section 2 of the act. Section 14 (b) has to do with the effective date of the laws repealed in subsection (a) of section 14.

Section 15 provides that no amendment or repeal made by this proposal shall affect the entitlement of any person to compensation or pension for periods prior to the effective date of this act.

Section 16 provides that the burial allowance authorized in section 13 shall apply only to deaths occurring on or after the effective date of this act.

Section 17 provides that the proposals contained in this act shall take effect on the first day of the second calendar month which begins after the time of enactment.

The first year cost of this bill is estimated at \$1,282,985,000 and the following sectional cost estimate is indicated:

	1st year	5th year
Sec. 1..... This involves a cost of \$447,444,000 for those veterans who did not serve overseas and \$88,706,000 for those who are entitled to the 20 percent additional rate for overseas service.	\$536, 150, 000	\$936, 556, 000
Sec. 2.....	126, 335, 000	218, 118, 000
Sec. 3.....	106, 427, 000	133, 549, 000
Sec. 4.....	19, 473, 000	19, 500, 000
Total for pension \$788,385,000.....		1, 307, 723, 000
Sec. 5.....	237, 197, 000	
Sec. 6.....	11, 141, 000	
Sec. 7.....	13, 000, 000	
Sec. 8.....	544, 000	
Sec. 9.....	26, 000	
Sec. 10.....	2, 772, 000	
Sec. 11.....	142, 308, 000	
Sec. 12.....	82, 112, 000	
Total cost compensation.....	489, 100, 000	490, 021, 000
Sec. 13.....	5, 500, 000	7, 500, 000
Total cost.....	1, 282, 985, 000	1, 805, 244, 000

The Veterans' Administration report on H. R. 7886 (sec. 1) as originally introduced, as well as a memorandum on the cumulative cost, is reproduced below:

VETERANS' ADMINISTRATION,  
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,  
Washington 25, D. C., February 7, 1956.

Hon. OLIN E. TEAGUE,  
Chairman, Committee on Veterans' Affairs,  
House of Representatives, Washington 25, D. C.

DEAR MR. TEAGUE: This is in reply to your request for reports by the Veterans' Administration on H. R. 8111, 84th Congress, a bill to liberalize the basis for, and increase the monthly rates of, disability

pension awards under Veterans Regulation No. 1 (a), part III, and H. R. 7886 and H. R. 8126, 84th Congress, identically entitled "A bill to amend part III of Veterans Regulation No. 1 (a) to liberalize the basis for, and increase the monthly rates of, disability pension awards."

The major purposes of each bill are (a) to require the assignment of a permanent and total rating under part III, Veterans Regulation No. 1 (a), as amended, upon attainment of age 65 years; (b) to increase the rates of pension payable under the cited law; and (c) to increase the income limitations governing payment of such pension.

These bills have the same general purposes as the American Legion pension proposal set forth in an article appearing on pages 1 and 17 of the Army Times dated November 26, 1955, with respect to which the Veterans' Administration submitted a report to your committee under date of January 3, 1956 (Committee Print No. 190), a copy of which is enclosed. The report on the mentioned proposal, including the estimate of cost, is applicable to the present bills.

Insofar as the identical bills H. R. 7886 and H. R. 8126 are concerned, the following additional comment on two matters is indicated. Paragraph II (a), part III, Veterans Regulation No. 1 (a), as amended, provides:

"Payment of pension provided by part III shall not be made to any unmarried person whose annual income exceeds \$1,400 or to any married person or any person with minor children whose annual income exceeds \$2,700."

Computation of annual income is made in accordance with Veterans' Administration Regulation 1228, a copy of which was furnished your committee with the Veterans' Administration's report on H. R. 5517, 84th Congress, under date of December 22, 1955 (Committee Print No. 189). Particular attention is invited to paragraphs (A) (2) and (D) which allow annual income to be computed proportionately and to paragraph (A) (3) which permits retention of pension paid if prompt notice is given by the payee that additional income received will cause his income to exceed the applicable income limitation. Section 2 of H. R. 7886 and H. R. 8126 would amend the mentioned paragraph II (a) to read:

"No pension shall be paid under this part during any calendar year to any unmarried person whose annual income during that year exceeds \$1,800 or to any married person or any person with minor children when annual income during that year exceeds \$3,000."

The language of the proposed amendment is subject to the construction that proportionate computation of annual income would not be authorized and that in cases where unanticipated income causes the annual income received to exceed the applicable income limitation a retroactive discontinuance of the pension would be required. Clarification of the intent of the bills in this regard is indicated.

The other matter mentioned relates to subsection 3 (b) of H. R. 7886 and H. R. 8126, which provides that the amendment made by section 2 of each bill shall take effect as of the first day of January 1956, but that no pension would be paid by reason of such amendment for any period prior to the first day of the first calendar month which begins after the date of enactment. It could be argued that this provision would require the Veterans' Administration to review all cases which have been disallowed or discontinued since January 1,

1956, because of income in excess of the income limitations and to authorize payment of pension in such cases beginning the first day of the first calendar month following the date of enactment, without requiring the filing of an application therefor. However, the intent in this regard should also be clarified. From an administrative standpoint it is preferable that acts liberalizing eligibility requirements be prospective in effect and require the filing of an application thereunder.

For the reasons set forth in the mentioned report of January 3, 1956, the Veterans' Administration is unable to recommend favorable consideration of any of these bills.

Advice has been received from the Bureau of the Budget that there would be no objection to the presentation of the proposed report to the committee and that the enactment of the proposed legislation would not be in accord with the program of the President.

Sincerely yours,

H. V. HIGLEY, *Administrator.*

VETERANS' ADMINISTRATION,  
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,  
*Washington, D. C., January 3, 1956.*

HON. OLIN E. TEAGUE,  
*Chairman, Committee on Veterans' Affairs,  
House of Representatives, Washington, D. C.*

DEAR MR. TEAGUE: This is in reply to your informal request for a report on a pension plan proposed by the American Legion, as set forth in an article appearing on pages 1 and 17 of the Army Times, dated November 26, 1955.

It appears from the mentioned article that the pension plan proposes (a) to require the assignment of a permanent and total rating under part III, Veterans Regulation No. 1 (a), as amended, upon attainment of age 65 years; (b) to increase the rates of pension payable under the cited law; and (c) to increase the income limitations governing payment of such pension.

Under the mentioned part III, veterans of the Korean conflict period, World War II, World War I, and the Spanish-American War, including the Philippine Insurrection and Boxer Rebellion, are eligible for pension based on permanent and total non-service-connected disability. Pension is payable to any such veteran who served in the active military or naval service for a period of 90 days or more during the applicable period and who was discharged therefrom under conditions other than dishonorable, or who, having served less than 90 days, was discharged for disability incurred in service in line of duty. The veteran must have been in active service before the cessation of hostilities and be suffering from non-service-connected permanent and total disability not incurred as a result of his own wilful misconduct or vicious habits. The rate is \$66.15 per month, except that where the veteran shall have been rated permanent and total and has been in receipt of pension for a continuous period of 10 years or reaches the age of 65 years and is permanently and totally disabled, the rate is \$78.75 per month. A rate of \$135.45 per month is authorized in the case of an otherwise eligible veteran who is, on account of age or physical or mental disability, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance



of another person. Such pension is not payable to any unmarried person whose annual income exceeds \$1,400 or to any married person or any person with minor children whose annual income exceeds \$2,700.

In the administration of the aforementioned provisions the determination of permanent total disability is made on a very liberal basis. Such a rating is granted (where the requirement of permanence is met) when there is a single disability of 60 percent or 2 or more disabilities 1 of which is 40 percent in degree, combined with other disability or disabilities to a total of 70 percent, and unemployability attributed thereto. Although age alone is not considered as a basis for entitlement to such pension, it is considered in association with disability and unemployability in determining permanent and total disability. The aforementioned percentage requirements are reduced on the attainment of age 55 to a 60 percent rating for 1 or more disabilities, with no percentage requirement for any one disability; at age 60 to a 50 percent rating for 1 or more disabilities; and at age 65 to 1 disability ratable at 10 percent or more. When these reduced percentage requirements are met and the disability or disabilities involved are of a permanent nature, a permanent and total disability rating will be assigned, if the veteran is determined to be unable to secure and follow substantially gainful employment by reason of such disability.

A permanent total disability will be considered to exist under part III when there is present any impairment of mind or body which is sufficient to render it impossible for the average person to follow a substantially gainful occupation and where it is reasonably certain that such impairment will continue throughout the life of the disabled person. Notwithstanding this definition the Administrator of Veterans' Affairs is authorized to classify as permanent and total those diseases and disorders, the nature and extent of which in his judgment is such as to justify such a determination. The proposed plan would liberalize existing law and regulations to require the assignment of a permanent and total disability rating to a veteran upon reaching the age of 65 years and in such cases pension would be payable if the veteran was otherwise eligible. This provision, in the nature of a conclusive statutory presumption of permanent and total disability at age 65 would, in effect, establish for veterans within the purview of the cited law a service pension at age 65 if they met the other requirements of law relating to income and length and character of service.

As set forth earlier in this report the present rate of pension is \$66.15 per month except that where the veteran shall have been rated permanent and total and has been in receipt of pension for a continuous period of 10 years or reaches the age of 65 and is permanently and totally disabled, the rate is \$78.75 per month, or in the case of an otherwise eligible veteran who is on account of age or physical or mental disability helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person, the rate is \$135.45 per month. Under the provisions of the plan the mentioned rates would be increased to \$85, \$105, and \$150, respectively, and the requirement for continuous receipt of pension for 10 years would be modified to require only that the eligible person

shall have been rated permanent and total for an aggregate period of 10 years.

The most recent increase in the rates of pension under part III was granted by the act of August 28, 1954 (68 Stat. 916). That act increased by 5 percent all monthly rates of pension payable to veterans of the Armed Forces, and their dependents, under any public law administered by the Veterans' Administration, with certain exceptions not here material. It appears from the congressional debates on the bill which became the act of August 28, 1954, that the increased rates were predicated on the increased cost of living. In this connection, it is noted that the Consumer Price Index of the Bureau of Labor Statistics, United States Department of Labor, for both August 1954 and November 1955 was 115 points (1947-49=100 points).

The proposed plan would raise existing income limitations under part III from \$1,400 to \$1,800 and from \$2,700 to \$3,000. When the disability pension with which this plan is concerned was established by law (Veterans Regulation No. 1, March 31, 1933), income limitations were provided of \$1,000 applicable to an unmarried veteran, and \$2,500 to a married veteran or a veteran with a minor child or children. The mentioned \$1,000 and \$2,500 limitations as well as comparable limitations governing payment of nonservice-connected death pension to widows and children were increased to \$1,400 and \$2,700 by the act of May 23, 1952 (66 Stat. 91). It appears from the legislative history of the bill (H. R. 4387, 82d Cong.) which became the act of May 23, 1952, *supra*, that the increases granted in the income limitations at that time were predicated on the increased cost of living. In this connection, it is noted that the Consumer Price Index of the Bureau of Labor Statistics, United States Department of Labor, for May 1952 was 113 points and for November 1955, 115 points (1947-49=100 points), an increase of approximately 1 1/4 percent.

In connection with this proposal your committee will undoubtedly desire to consider the basic purpose of the part III pension. It is intended primarily to afford a modest allowance to seriously disabled veterans who are in limited financial circumstances but whose condition is not the outgrowth of their war service. It was not intended to provide full support. The veteran who receives \$66.15 monthly pension (\$793.80 yearly), if subject to the \$1,400 income limitation may receive an aggregate yearly income (including pension) of \$2,193.80. The aggregate of \$2,193.80 would be increased to \$2,820 if the plan is enacted into law. If he is subject to the \$2,700 limitation he can currently receive as much as \$3,493.80 annually. The aggregate of \$3,493.80 would be increased to \$4,020 if the plan is enacted. If paid the proposed higher rates of \$105 or \$150 per month the veteran's potential aggregate income would be proportionately greater.

Enactment of the proposals to increase the income limitations and rates of pension under part III would undoubtedly give impetus to requests for a similar increase of the limitations governing payment of non-service-connected death pension to widows and children of deceased veterans of World War I, World War II, or the Korean conflict and of other rates of pension for veterans, as well as rates of pension for dependents and for service-connected disability or death compensation.

It is estimated that the enactment of this proposed pension plan would affect 870,900 war veterans during the first year at an additional cost of approximately \$528,154,000 for that year. In conformance with paragraph 7, Bureau of the Budget Circular No. A-19, it is estimated that the cost of the proposal for the succeeding 4 years would increase approximately 18 percent each year over the cost of the preceding year. It should be noted that this estimate, which is based on data currently available, is not firm and should be used as approximate magnitude figures only.

The proposed statutory presumption that veterans are permanently and totally disabled at age 65 is contrary to fact. There has been no substantial change in the cost of living since the pension rates and income limitations were last increased. Accordingly, and in view of the potential cost of the proposal as well as its precedential aspects, I do not believe the proposal merits favorable consideration.

Advice has been received from the Bureau of the Budget that there would be no objection to the presentation of the proposed report to the committee and that, for the reasons stated herein, the enactment of the proposed legislation would not be in accord with the program of the President.

Sincerely yours,

JOHN S. PATTERSON,  
*Deputy Administrator*

(For and in the absence of H. V. Higley, Administrator).

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DEPARTMENT OF VETERANS' BENEFITS,  
*January 16, 1956.*

To: Assistant Administrator for Legislation.

From: Chief Benefits Director.

Subject: Cost estimate on H. R. 7886.

1. In accordance with a request you received from the Veterans' Affairs Committee, there is transmitted herein an estimate of cost of H. R. 7886, a bill to liberalize the basis for, and increase the monthly rates of, disability pension awards under Veterans Regulation No. 1 (e), part III.

2. The estimate provided herein represents the cumulative aggregate cost of the proposed bill, if enacted, to the year 2000. This estimate is based on the assumption that all veterans aged 65 and over would be entitled to pension of \$105 a month without regard to employability or disability and subject only to income limitation of \$1,800 if single, or \$3,000 if married, or if person has minor children. Requirements as to length of service and character of discharge would remain the same as under present laws.

3. The estimate presented reflects the additional cost of paying the proposed monthly rates outlined under section 2 of the proposal instead of the present monthly rates. Some of the veterans on present rolls who would be eligible for transfer to the proposed higher pension benefit rolls have been considered in this estimate. It is estimated that the cost of the above subject bill, if enacted, would cost a total of \$77,300 million cumulative through the year 2000, affecting veterans of the Korean conflict, World War II, and World War I. This estimate was based on the following basic policy as approved by the Veterans' Affairs Committee:

(a) Present economic levels will remain static through the year 2000.

(b) Present family composition will remain static through the year 2000.

4. Due to the extremely limited time given this Department for the development of the above estimate of only 2½ days, many short cuts in our normal estimating procedures have been applied and we do not feel that the above estimate has been based on as detailed an analysis as should be accomplished in the development of an estimate of this nature. I am sure that you will continue to use your influence to see that we are granted sufficient time to properly develop cost estimates where possible. Therefore, it is emphasized that the above figure should be used as an approximate magnitude figure only and may be subject to substantial variation when a complete and detailed analysis is accomplished.

RALPH H. STONE.

The bill, H. R. 9121, includes a provision of paying a higher rate for overseas service. For that reason the report on this bill, as well as the cumulative estimate of cost thereon, is included:

VETERANS' ADMINISTRATION,  
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,  
*Washington 25, D. C., February 24, 1956.*

Hon. OLIN E. TEAGUE,  
*Chairman, Committee on Veterans' Affairs,  
House of Representatives, Washington 25, D. C.*

DEAR MR. TEAGUE: This is in reply to your letter of February 10, 1956, requesting reports by the Veterans' Administration relative to H. R. 9121 and H. R. 9126, 84th Congress, identical bills entitled "A bill to establish an additional pension program for veterans of World War I."

The general purpose of each of the bills is to establish a liberalized pension program for veterans of World War I.

Under existing law (pt. III, Veterans Regulation No. 1 (a), as amended) veterans of World War I, among others, are eligible for pension based on permanent and total non-service-connected disability. Pension is payable to any such veteran who served in the active military or naval service for a period of 90 days or more during such war and who was discharged therefrom under conditions other than dishonorable, or who, having served less than 90 days, was discharged for disability incurred in service in line of duty. To be eligible for such pension, the veteran must have been in active service before the cessation of hostilities and be suffering from non-service-connected permanent and total disability not incurred as a result of his own willful misconduct or vicious habits. The rate is \$66.15 per month, except that where the veteran shall have been rated permanent and total and has been in receipt of pension for a continuous period of 10 years, or reaches the age of 65 years and is permanently and totally disabled, the rate is \$78.75 per month. A rate of \$135.45 per month is authorized in the case of an otherwise eligible veteran who is, on account of age or physical or mental disability, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person. Such pension is not payable to any unmarried person whose annual income exceeds \$1,400, or to any



married person or any person with minor children whose annual income exceeds \$2,700.

In the administration of the aforementioned provisions, the determination of permanent total disability is made on a very liberal basis. Such a rating is granted (where the requirement of permanence is met) when there is a single disability of 60 percent or 2 or more disabilities one of which is 40 percent in degree, combined with other disability or disabilities to a total of 70 percent, and unemployability attributed thereto. Although age alone is not considered as a basis for entitlement to such pension, it is considered in association with disability and unemployability in determining permanent and total disability. The aforementioned percentage requirements are reduced on the attainment of age 55 to a 60-percent rating for 1 or more disabilities, with no percentage requirement for any 1 disability; at age 60 to a 50-percent rating for 1 or more disabilities; and at age 65 to 1 disability ratable at 10 percent or more. When these reduced percentage requirements are met and the disability or disabilities involved are of a permanent nature, a permanent and total disability rating will be assigned, if the veteran is determined to be unable to secure and follow substantially gainful employment by reason of such disability.

H. R. 9121 or H. R. 9126, each of which would be cited as the "World War I Pension Act," if enacted into law, would establish a new system of disability and age pension benefits for veterans of World War I. The eligibility requirements set forth in the bills as to length and type of service and character of discharge are substantially the same as those applicable to the part III pension system. In addition, the proposals would require that the veteran have either attained age 62, or be suffering from a permanent disability not the result of his own misconduct or vicious habits, which is rated by the Veterans' Administration to be 10 percent or more in degree. The rate of such pension would be \$100 per month, except that if the veteran served outside the continental limits of the United States for a period of 30 days or more during World War I, the rate would be \$120 per month. If an otherwise eligible veteran is or becomes, on account of age or physical or mental disabilities, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person, the \$100 and \$120 rates would be increased \$50 per month. Such pension would not be payable to any unmarried person whose annual income exceeds \$2,400 or to any married person or any person with a child or children whose annual income exceeds \$3,600. Section 5 of each bill would make the administrative, definitive, and penal provisions now or hereafter applicable to benefits provided under the act of March 20, 1933 (48 Stat. 8), as amended, or the veterans regulations issued pursuant thereto, as amended, applicable to the "World War I Pension Act."

As regards the proposed income limitations of \$2,400 and \$3,600, it may be noted that when the existing disability pension program was established by law (Veterans Regulation No. 1, March 31, 1933) income limitations were provided of \$1,000 applicable to an unmarried veteran, and \$2,500 to a married veteran or a veteran with a minor child or children. The mentioned \$1,000 and \$2,500 limitations were increased to \$1,400 and \$2,700 by the act of May 23, 1952 (66 Stat. 91). It appears from the legislative history of the bill (H. R. 4387, 82d Cong.) which became the act of May 23, 1952, *supra*, that the

increases granted in the income limitations at that time were predicated on the increased cost of living. The same appears to be true with respect to the act of August 28, 1954 (68 Stat. 916), which increased by 5 percent the part III and other pension rates. There has been little change in the cost of living since the mentioned increases, as evidenced by the Consumer Price Index of the Bureau of Labor Statistics, United States Department of Labor, which was 113 points in May 1952, 115 points in August 1954, and 114.7 points in December 1955 (1947-49=100 points).

With general reference to the pension benefits proposed under the bill, your committee will undoubtedly desire to consider the basic purpose of the non-service-connected disability pension for World War I veterans. This pension is intended to afford a modest allowance to seriously disabled veterans who are in limited financial circumstances but whose condition is not the outgrowth of their war service. It is not intended to provide full support. The granting of pension based on age alone, or for partial disability not due to service, would not appear to be consistent with the basic purpose for which the pension was established.

The enactment of either H. R. 9121 or H. R. 9126 might serve as a precedent for requests to liberalize pension benefits for veterans of World War II or the Korean conflict, who are currently eligible for pension under the mentioned part III of Veterans Regulation No. 1 (a), as amended. It might also bring about increased requests for liberalizing the death pension program for the dependents of those veterans, as well as veterans of World War I.

One of the primary factors leading to the Economy Act of March 20, 1933, was the current and anticipated effect of the act of July 3, 1930, which added certain provisions to section 200 of the World War Veterans' Act, 1924, as amended, granting disability allowance (pension) benefits to World War I veterans for non-service-connected permanent partial disabilities of 25, 50, and 75 percent, and for non-service-connected permanent and total disability. The act of March 20, 1933, repealed certain laws granting benefits to veterans and their dependents, including the mentioned section 200 of the act of July 3, 1930. Veterans regulations promulgated under the repealing act now provide pension benefits for only non-service-connected permanent and total disability. There is for consideration whether the enactment of a bill of the potential magnitude of H. R. 9121 or H. R. 9126 might not impose so great a financial obligation on the Government as to possibly lead to a repetition of the Economy Act of 1933, which affected both the then existing compensation and pension programs.

With respect to the following estimate of cost, income and marital status data published by the Bureau of the Census have been utilized. It has been assumed that the income level of veterans is the same as that for the general population of comparable age and sex, and that there will be no significant change in income levels from that indicated by the mentioned data.

Subject to these assumptions, it is estimated that during the first year approximately 1,233,200 veterans would become eligible for pension at an additional cost of approximately \$1,627,824,000 and approximately 592,000 veterans would become eligible for increased benefits at an additional cost of approximately \$300,108,000 or a

total additional cost for the first year of roughly \$1,927,932,000. In accordance with paragraph 7, Bureau of the Budget Circular A-19, dated June 14, 1954, it is estimated that the annual cost of H. R. 9121 or H. R. 9126 would remain approximately static during the ensuing 3 years and that during the fifth year the cost would decrease slightly to approximately \$1,913 million. In view of the intangible factors involved, the foregoing estimate may not be considered as firm but is presented as the best practicable estimate at this time.

In line with the foregoing, it is my opinion that the enactment of either bill would not be in the best interests of the Nation as a whole, or veterans and their dependents in particular.

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of this report to the committee and that enactment of this legislation would not be in accord with the program of the President.

Sincerely yours,

H. V. HIGLEY, *Administrator.*

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DEPARTMENT OF VETERANS' BENEFITS,  
March 2, 1956.

To: Assistant Administrator for Legislation.  
From: Deputy Chief Benefits Director.  
Subject: H. R. 9121, 84th Congress.

1. The cumulative cost to the year 2000 on this bill is estimated to be \$28,320 million.

2. This estimate, which was requested by the Veterans' Affairs Committee, was based on the following assumptions which were approved by the committee:

(a) The number and age distribution of living veterans of World War I service are based upon official VA estimated living veterans.

(b) It has been assumed that 97 percent of the World War I veterans completed 90 days' service.

(c) It is assumed that 90 percent of veterans under age 62 are 10 percent or more disabled.

(d) It has been assumed that 50 percent of the World War I veterans served outside the continental limits of the United States during World War I.

(e) It has been assumed that the income and marital status of World War I veterans are the same as that of the general population for comparable ages and sex, as published by the Bureau of the Census.

(f) It has been generally assumed that present economic conditions, dependency relationships, mortality rates, and present social-security programs will continue.

3. As we have pointed out previously, the validity of a long-range cost estimate of this nature is subject to considerable question. A deviation in any one of the above assumptions could have a substantial effect upon the cost of this bill during the subsequent 44 years. Therefore, this estimate should be used as a very rough approximate magnitude only.

D. P. PAGE.

A Veterans' Administration report on H. R. 9986, the first section of which is comparable to section 2, is reproduced below:

VETERANS' ADMINISTRATION,  
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,  
Washington 25, D. C., March 26, 1956.

HON. OLIN E. TEAGUE,  
*Chairman, Committee on Veterans' Affairs,*  
*House of Representatives, Washington 25, D. C.*

DEAR MR. TEAGUE: This is in reply to your request for a report by the Veterans' Administration on H. R. 9986, 84th Congress, a bill to provide pension for widows and children of veterans of World War II and of the Korean conflict on the same basis as pension is provided for widows and children of veterans of World War I, and to liberalize certain criteria for determining eligibility of widows for benefits.

The bill proposes to (1) authorize the payment of non-service-connected death pension to the widows and children of deceased persons who served in World War II or the Korean conflict under the same conditions that such pension is authorized for the widows and children of deceased persons who served in World War I; (2) liberalize date of marriage requirements for widows of veterans for the purpose of payment of death compensation or pension under laws administered by the Veterans' Administration; and (3) authorize the payment of gratuitous death benefits under those laws to certain women who cannot qualify therefor as the legal widows of the veterans.

Under existing law (sec. 4, act of May 27, 1944 (58 Stat. 230); sec. 6, act of December 14, 1944 (58 Stat. 803)), non-service-connected death pension is payable to the widow, child, or children of a veteran who served in World War II whose death was not due to service therein, but who at the time of death was receiving or entitled to receive compensation or retirement pay for disability incurred in such service in line of duty. It is also payable to such dependents in the case of a World War II veteran who, having served 90 days or more during such war period, was discharged under conditions other than dishonorable (or having served less than 90 days was discharged for disability incurred in line of duty during such service), and dies or has died from a disease or disability not service connected, and at the time of death had a disability due to such service for which compensation would be payable if 10 percent or more in degree. Eligibility for such pension is subject to an annual income limitation of \$1,400 with respect to a widow without child, or to a child, or \$2,700 with respect to a widow with a child or children. The monthly rates of pension are as follows: Widow with no child \$50.40; widow with 1 child, \$63, with \$7.56 for each additional child; no widow but 1 child, \$27.30; no widow but 2 children, \$40.95, equally divided; no widow but 3 children, \$54.60, with \$7.56 for each additional child, total equally divided. Pursuant to the act of May 11, 1951 (65 Stat. 40; 38 U. S. C. 745), non-service-connected death pension is payable to the widows and children of deceased persons who served in the Armed Forces of the United States during the Korean conflict period (June 27, 1950, through January 31, 1955) under the same conditions and in the same amounts that such pension is payable to widows and children of deceased veterans of World War II.

Pension for non-service-connected death is payable to the widow, child, or children of a World War I veteran under the same conditions and at the same rates as those applicable in World War II and Korean conflict period cases, except that the requirement that the veteran



must have at the time of his death a disability due to service for which compensation would be payable if 10 percent or more in degree is not applicable. Section 1 of the bill, if enacted, would remove that requirement with respect to cases of deceased veterans of World War II or of service during the Korean conflict period and would, accordingly, make the eligibility requirements for the payment of death pension in the three classes of cases basically uniform.

The history of service pension legislation shows that benefits of this type have not been afforded to widows and children of deceased veterans of wars prior to World War II until many years following the termination of such wars. Service pensions for widows and children of veterans of the Civil War were first provided by the act of June 27, 1890 (26 Stat. 182), or 24 years after the termination of that war; and for widows and children of veterans of the Spanish-American War, Philippine Insurrection, and China Relief Expedition by the act of July 16, 1918 (40 Stat. 903), or 19, 16, and 17 years, respectively, after the termination dates.

With respect to World War I, the act of June 28, 1934 (48 Stat. 1281), was the first law granting death benefits to widows and children of deceased veterans of that war where the death was not shown to be due to service. Section 1 of that act provided for monthly payments to the widow, child, or children of any World War I veteran who, while receiving or entitled to receive compensation, pension, or retirement pay for 30-percent disability or more directly incurred in or aggravated by service in World War I, died from a disease or disability not service connected and not the result of the veteran's own misconduct. The requisite degree of service-connected disability was reduced from 30 percent to 20 percent by the act of August 16, 1937 (50 Stat. 660), then to 10 percent by the act of May 13, 1938 (52 Stat. 352), and then, under the act of July 19, 1939 (53 Stat. 1068), only a recognizable service-connected disability without reference to a percentage evaluation was required to be shown. The requirement of the 1939 act, which was similar to the one currently applicable to cases of deceased veterans of World War II or of service during the Korean conflict period (which requirement sec. 1 of H. R. 9986 proposes to eliminate), was eliminated as to World War I cases by section 1 of the act of December 14, 1944. Thus an outright service pension, as proposed for dependents of veterans of World War II or the Korean conflict period, by section 1 of H. R. 9986, was not afforded widows and children of World War I veterans until 26 years after the November 11, 1918, armistice.

It will be noted from the foregoing legislative history that the liberal conditions which were prescribed for payment of non-service-connected death benefits in World War I cases by the act of July 19, 1939, or some 21 years after the armistice, were provided for similar payments in World War II cases by section 4 of the act of May 27, 1944, *supra*, restated in section 6 of the act of December 14, 1944, or while we were engaged in actual hostilities. These same conditions were made applicable to payment of non-service-connected death pension in cases of persons who served during the Korean conflict period by the act of May 11, 1951, *supra*, or at a time when the termination date of the eligibility period had not been established.

Service pensions for widows of veterans have been justified generally on the theory that such widows have reached an age which renders

self-support difficult. It is not believed that as a class widows of veterans of World War II or the Korean conflict period are incapable of self-support because of age. Consideration is indicated of the fact that the number of persons in the Armed Forces of the United States during World War II greatly exceeded the numbers who participated in any prior war, and consequently, the number of widows of World War II will be correspondingly greater than the widows of veterans of former wars. Similarly, it is estimated that the number of persons whose only service was during the Korean conflict period exceeded the number of persons who served during any war prior to World War II, and the number of their widows will likewise be proportionately greater.

The lack of comparable World War I experience in this type of liberalization makes it difficult to estimate the effect of section 1 of the bill on dependents of deceased veterans of World War II or the Korean conflict. Other unknown factors, such as family status and income, limit the exactness of an estimate of this section. However, based on data available, if all eligible apply and receive benefits to which they are entitled, an estimate of the cost of section 1, prepared in conformance with paragraph 7 of Bureau of the Budget Circular A-19 is as follows:

Year	World War II		Korean Conflict		Total	
	Estimated number cases affected	Estimated cost	Estimated number cases affected	Estimated cost	Estimated number cases affected	Estimated cost
1st-----	128, 400	\$82, 263, 000	2, 400	\$1, 744, 000	130, 800	\$84, 007, 000
2d-----	149, 200	95, 375, 000	4, 800	3, 410, 000	154, 000	98, 785, 000
3d-----	169, 700	108, 255, 000	7, 800	5, 412, 000	177, 500	113, 667, 000
4th-----	189, 900	120, 036, 000	11, 500	7, 786, 000	201, 400	128, 722, 000
5th-----	210, 000	133, 560, 000	16, 000	10, 510, 000	226, 000	144, 070, 000

It is my considered opinion that section 1 of H. R. 9986 would not be in the interests of maintaining a sound system of assistance to veterans and the dependents of veterans with particular reference to service-connected cases, the Nation's primary obligation.

Section 2 of H. R. 9986 is concerned with the eligibility of widows for compensation and pension under the laws administered by the Veterans' Administration. With the exception of the so-called general law (which is currently applicable to a very limited number of compensation cases in which the service was rendered prior to April 21, 1898), all laws administered by the Veterans' Administration pertaining to the payment of death compensation or pension include a date of marriage of the widow to the person who served as an element of entitlement to such compensation or pension. In addition, some laws include an alternative requirement that the widow must have been married to the veteran 10 or more years prior to the date of his death. For example, in World War I cases, the delimiting date is December 13, 1944, with an alternative requirement that when the marriage occurred on or after December 14, 1944, the widow must have been married to the veteran 10 or more years prior to the date of death. Concerning World War II cases, it is required that the widows shall have married the veterans prior to January 1, 1957; and with respect to widows of veterans of the Korean conflict the delimiting marriage date is January 31, 1965.

Section 2 of the bill would not specifically amend the laws providing marriage date requirements. However, its enactment would preclude the Veterans' Administration from disqualifying a claimant who could not meet the requirements if she was married to the veteran (a) for 5 or more years, or (b) for any period of time and a child was born of the marriage. The prohibition would be uniformly applicable to claims of widows of all wars, the Korean conflict, and peacetime service. It is noted that the provisions of section 2 are included in the definition of "widow" in subsection 102 (8) of H. R. 7089, 84th Congress, the proposed Servicemen's and Veterans' Survivor Benefits Act, as passed by the House of Representatives on July 13, 1955.

There is no firm basis on which to accurately estimate the cost of section 2 of the bill, particularly as there are no available data on which to estimate cost based on service in wars earlier than World War I or in peacetime service, or to estimate cost of widows' entitlement under this section by virtue of a child born of the marriage. It will be noted that there will be no additional cost for World War II and Korean conflict cases until after December 31, 1956, and January 31, 1965, the respective delimiting dates under existing law. Based on the experience reflected from the number of disallowances by reason of marriage after the delimiting date, it may be assumed that less than 10,000 widows of World War I veterans would become eligible for compensation or pension benefits the first year under section 2, if enacted, at a cost of less than \$5,887,000. In conformance with paragraph 7, Bureau of the Budget Circular A-19, it is estimated that this partial cost of the section for each of the succeeding 4 years would increase approximately 20 percent over the preceding year.

With regard to section 3, under laws administered by the Veterans' Administration, the establishment of legal widowhood is a prerequisite to payment of gratuitous benefits (compensation, pension, servicemen's indemnity, and loan guaranty) to those claiming such benefits as widows of the veterans. Section 3 of the bill would modify this requirement by authorizing the recognition of certain purported marriages as valid. This would be permitted in those instances in which the claimant could establish, by proof satisfactory to the Administrator of Veterans' Affairs, that without knowledge of any legal impediment she entered into a marriage with the veteran concerned which but for a legal impediment would have been valid and thereafter cohabited with him for 5 or more years immediately before his death. The recognition could not be afforded if a claim has been filed by a legal widow of the veteran who is found entitled to the gratuitous death benefits. This section specifically prohibits duplicate payments to be made by virtue of its enactment.

A recent study revealed that application of the law has sometimes produced harsh results. The study disclosed a number of cases where a claimant was unable to establish that a prior marriage on the part of either the veteran or herself had been legally dissolved, with the result that benefits were accordingly denied, notwithstanding that in good faith she entered into a marriage with the veteran, cohabited with him for many years, and in some instances bore children in such ostensible marriage relationship.

As the result of the mentioned study, the Veterans' Administration in its report of December 14, 1955, on H. R. 6889, 84th Congress (Committee Print 188), submitted and recommended the enactment

of a substitute draft. That draft was subsequently introduced as H. R. 9286, 84th Congress, and is pending before your committee. Section 3 of H. R. 9986, with one material exception, is substantially the same as H. R. 9286. The exception is that the latter would require cohabitation with the person who served for 10 or more years immediately prior to his death, whereas section 3 of the bill under consideration would reduce such period to 5 or more years. It may be noted that the minimum of 10 years cohabitation which would be required under H. R. 9286, if enacted, conforms with existing laws which provide an alternative marriage requirement of 10 or more years in cases where widows married veterans after prescribed delimiting marriage dates. The 5-year provision of section 3 is presumably predicated on the 5-year provision in section 2 of the bill. The variation in the required period of cohabitation is one of degree and under the circumstances I would not object to the modification proposed by section 3. There are no available data upon which to base an estimate of the cost of section 3 although it is believed it would be relatively small.

Section 4 would repeal the laws mentioned at the outset of this report under which non-service-connected death pension is payable to the widow, child, or children of a veteran who served in World War II. This section would also repeal the definition of the term "widow" contained in section 3 of the act of June 28, 1934, which provision was rendered obsolete by subsequent legislation. Section 4 further provides that notwithstanding any amendment or repeal which the bill would make it shall not affect the entitlement of any person to pension or compensation for periods before the date of its enactment and would authorize continuance of pension for those on the rolls under the laws proposed for repeal. Section 5 would provide that the act would take effect on the first day of the second calendar month which begins after the date of its enactment.

To summarize in the light of the foregoing discussion, I am unable to recommend favorable consideration of section 1 of H. R. 9986, would have no objection to the enactment of section 2, and favor section 3 in principle.

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of this report to the committee and that the enactment of section 1 of the bill would not be in accord with the program of the President.

Sincerely yours,

H. V. HIGLEY, *Administrator.*

The Veterans' Administration report on H. R. 578, which is comparable to but contains a lower rate than that provided in section 3, follows:



VETERANS' ADMINISTRATION,  
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,  
Washington 25, D. C., July 12, 1955.

Hon. OLIN E. TEAGUE,  
*Chairman, Committee on Veterans' Affairs,*  
*House of Representatives, Washington 25, D. C.*

DEAR MR. TEAGUE: This is in reply to your request for a report by the Veterans' Administration on H. R. 578, 84th Congress, a bill to provide increases in the monthly rates of pension payable to veterans and their dependents.

The purpose of the bill is to increase the rates of pension payable to veterans who served during the Civil War and later wars, including those who served during the Korean conflict, the dependents of such veterans after their death from non-service-connected causes, and the widows of veterans of the war with Mexico.

For the convenience of the committee there is enclosed a chart showing rates of pension under existing laws and the rates proposed for the veterans and the dependents of veterans included in the bill. The chart also indicates the section of the bill which would increase the rates of a particular group.

The most recent general increase in the rates of non-service-connected disability and age pensions, and death pensions, was granted by the act of August 28, 1954 (63 Stat. 916). That act increased by 5 percent all monthly rates of pension payable to veterans of the Armed Forces, and their dependents, under any public law administered by the Veterans' Administration, with certain exceptions not here material. It appears from the congressional debates on the bill which became the act of August 28, 1954, that the increased rates were predicated on the increased cost of living. In this connection, it is noted that the Consumer Price Index of the Bureau of Labor Statistics, United States Department of Labor, for August 1954 was 115 points and for April 1955, 114.2 points (1947-49=100 points), a slight decrease.

The attention of the committee is invited to a technical aspect of section 2 of the bill which proposes to amend subparagraph I (f), part III, Veterans Regulation No. 1 (a), as amended. The benefits of part III were extended to veterans of World War II by the act of May 27, 1944 (58 Stat. 230). That law, after specifically amending subparagraph I (f), stated in part that the provisions of the act shall apply to veterans of World War II. The act of September 18, 1951 (65 Stat. 324), and the act of May 23, 1952 (66 Stat. 90), both of which amended the mentioned subparagraph, also contained a similar provision. The absence of such provision in section 2 could raise a question concerning the scope of its application. It has been assumed for the purposes of this report that it is intended that the increased rates be afforded to veterans of World War II and accordingly to veterans of the Korean conflict period. This intent would be clarified by adding to section 2 a provision similar to that contained in prior amendments of subparagraph I (f) mentioned above.

It is estimated that the enactment of H. R. 578 would affect 608,200 veterans and 436,500 cases of deceased veterans during fiscal year 1956, at an additional cost of approximately \$29,646,000. In conformance with paragraph 7, Bureau of the Budget Circular No. A-19, it is estimated that the cost of the bill, due to the annually increasing number of persons on the pension rolls, would increase approximately 7 percent each year over the cost of the preceding year through fiscal year 1960. For the convenience of the committee the enclosed chart contains an analysis by section which reflects the number of veterans and cases of deceased veterans affected by the bill and the estimated cost during the fiscal year 1956.

Pension is a gratuity payable to otherwise eligible veterans who served during time of war and to dependents of such veterans after their death from non-service-connected causes. It is not intended to provide full support but rather it is to afford limited financial assistance. Accordingly, and in view of the recent general increase in rates of pension, the fact that the cost of living has not risen since that time, as well as the potential cost of the bill I do not believe H. R. 578 merits favorable consideration.

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of this report to your committee, and that for the reasons stated herein the Bureau concurs in the recommendation against favorable consideration.

Sincerely yours,

H. V. HIGLEY, *Administrator.*

*Analysis of H. R. 578, 84th Cong.*

	Existing rates	Proposed rates	Number affected	Estimated first year's cost
<b>WORLD WAR I, WORLD WAR II, AND KOREAN CONFLICT</b>				
Veterans (sec. 2).....			550,800	\$10,225,000
Permanent and total disability.....	\$66.15	\$68.00		
Permanent and total disability and age 65.....	78.75	80.00		
Rated permanent and totally disabled, continuous period of 10 years.....	135.45	136.00		
Aid and attendance.....				
(NOTE.—The foregoing rates are available to Spanish-American War veterans. However, substantially all such veterans on the pension rolls are being paid the greater rates set forth below.)				
Dependents (sec. 1).....			1,349,000	15,350,000
Widow, no child.....	50.40	54.00		
Widow and 1 child.....	63.00	76.50		
Each additional child.....	7.56	8.00		
Children where there is no widow:				
1 child.....	27.30	29.00		
2 children (equally divided).....	40.95	44.00		
3 children (equally divided).....	54.60	58.50		
Each additional child (total equally divided).....	7.56	9.00		
<b>SPANISH-AMERICAN WAR</b>				
Veterans (sec. 3).....			57,200	\$897,000
90 days' or more service:				
1/2 disability or more.....	\$101.59	\$103.00		
Age 62 or over.....	135.45	136.00		
Aid and attendance.....				
70 through 89 days' service:				
1/2 disability or more.....	67.73	68.00		
Age 62 or over.....	88.04	89.00		
Aid and attendance.....			1,81,200	2,797,000
Dependents (secs. 4 and 5).....				
Widow and former widow.....	54.18	57.00		
Widow and former widow, who was wife of veteran during service.....	67.73	71.00		
Additional for each child.....	8.13	9.00		
Children where there is no widow:				
1 child (to age 16).....	62.31	66.00		
Each additional child (to age 16), total equally divided.....	8.13	9.00		
1 child (age 16 or over).....	27.30	29.00		
2 children (age 16 or over) equally divided.....	40.95	44.00		
3 children (age 16 or over) equally divided.....	54.60	58.50		
Each additional child (age 16 or over), total equally divided.....	7.56	9.00		
<b>CIVIL WAR</b>				
Veterans (sec. 10).....			1	7
Basic rate.....	101.59	103.00		
Aid and attendance.....	135.45	136.00		
Dependents (sec. 7).....			15,200	307,000
Widow and former widow.....	40.64	57.00		
Widow age 70.....	54.18			
Widow and former widow, who was wife of veteran during service.....	67.73	71.00		
Additional for each child.....	8.13	9.00		
No widow, 1 child.....	48.77	66.00		
Each additional child, total equally divided.....	8.13	9.00		
<b>INDIAN WARS OR CAMPAIGNS</b>				
Veterans (sec. 9).....			200	2,000
1/2 disability or more.....	101.59	103.00		
Age 62 or over.....	135.45	136.00		
Aid and attendance.....				
Dependents (sec. 6).....			1,100	68,000
Widow and former widow.....	40.64	57.00		
Widow and former widow age 70.....	54.18			
Widow and former widow, who was wife of veteran during service.....	67.73	71.00		
Additional for each child.....	8.13	9.00		
No widow, 1 child.....	48.77	66.00		
Each additional child, total equally divided.....	8.13	9.00		
<b>WAR WITH MEXICO</b>				
Dependents (sec. 8).....			4	216
Widow.....	52.50	57.00		

<sup>1</sup> Cases.

The VA report on H. R. 8964 which includes a rate of \$75 for World War I widows and raises income limits also is reproduced.

VETERANS' ADMINISTRATION,  
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS,  
Washington, D. C., February 27, 1956.

HON. OLIN E. TEAGUE,  
*Chairman, Committee on Veterans' Affairs,  
House of Representatives, Washington, D. C.*

DEAR MR. TEAGUE: This is in reply to your letter of February 3, 1956, requesting a report by the Veterans' Administration relative to H. R. 8964, 84th Congress, a bill to increase the rate of pension of certain widows of World War I veterans and the annual income limitations governing the payment of pension to widows and children of such veterans.

The bill proposes to liberalize the income limitations governing the payment of non-service-connected death pension to widows and children of veterans of World War I and to increase the rate of death pension payable to certain widows of such veterans.

Under the act of June 28, 1934 (48 Stat. 1281), as amended and extended (38 U. S. C. 503, et seq.), non-service-connected death pension is payable to the otherwise eligible widows and children of deceased veterans of World War I, World War II, or the Korean conflict. The current monthly death pension rates are: Widow with no child, \$50.40; widow with 1 child, \$63; with \$7.56 for each additional child; no widow but 1 child, \$27.30; no widow but 2 children, \$40.95, equally divided; no widow but 3 children, \$54.60, equally divided; with \$7.56 for each additional child, total equally divided. Subsection 1 (c) of the act of June 28, 1934, as amended, provides in part that pension shall not be paid to any widow without child or to a child whose annual income exceeds \$1,400, or to a widow with a child or children whose annual income exceeds \$2,700. H. R. 8964, if enacted into law, would provide that with respect to any claim for pension based on the death of a veteran or World War I, the income limitations would be raised from \$1,400 to \$2,700 and from \$2,700 to \$4,000, and the \$50.40 monthly rate of pension payable to a widow with no child would be increased to \$75.

In connection with this proposal, your committee will undoubtedly desire to consider the basic purpose of this death pension. It has been the consistent policy of the Congress to restrict the benefits of the act of June 28, 1934, as amended, to widows and children in limited financial circumstances, the theory of the legislation being to provide some measure of support to those primary dependents who survive the veteran and who are in need. Under the present law, an eligible widow with no child receives \$50.40 monthly pension or \$604.80 annually, which when combined with the permissible \$1,400 income would aggregate \$2,004.80 annually. Insofar as a widow of World War I veteran is concerned, the aggregate of \$2,004.80 would be increased to \$3,600 if H. R. 8964 is enacted into law. A widow with 1 child receives \$63 monthly pension or \$756 annually, which when combined with the permissible \$2,700 income would aggregate \$3,456 annually. The aggregate of \$3,456 would be increased in World War I cases to \$4,756 in the event H. R. 8964 is enacted. In other World War I cases the possible income would



vary according to the rate of pension and income limitation applicable thereto.

As regards the proposed income limitations of \$2,700 and \$4,000, it may be noted that the act of June 28, 1934, which created the death pension benefit under consideration, provided that it would not be applicable to any person during any year following a year for which such person was not entitled to exemption from the payment of a Federal income tax. By the act of July 19, 1939 (53 Stat. 1068), that limitation was replaced by income limitations of \$1,000 in the case of a widow without child, or a child, and \$2,500 in the case of a widow with a child or children. The mentioned \$1,000 and \$2,500 limitations were increased to \$1,400 and \$2,700 by section 2 of the act of May 23, 1952 (66 Stat. 91).

It appears from the legislative history of the bill (H. R. 4387, 82d Cong.) which became the act of May 23, 1952, *supra*, that the increases granted in the income limitations at that time were predicated on the increased cost of living. The same appears to be true with respect to the act of August 28, 1954 (68 Stat. 916), which increased by 5 percent the subject death pension and other pension rates. There has been little change in the cost of living since the mentioned increases, as evidenced by the Consumer Price Index of the Bureau of Labor Statistics, United States Department of Labor, which was 113 points in May 1952, 115 points in August 1954, and 114.7 points in December 1955 (1947-49=100 points).

In recognition of a primary responsibility to the dependents of veterans whose deaths resulted from injuries or diseases occasioned by active military service, it has been the general policy of the Congress to provide greater monetary benefits for cases of service-connected death of veterans than for cases in which death resulted from non-service-connected causes. It will be noted that the rate of death pension which H. R. 8964 proposes to authorize for the widows, with no children, of deceased veterans of World War I, whose deaths were not due to service would exceed the rates of death compensation payable to the widows, alone, of veterans of peacetime service who died of service-connected causes. Accordingly, it would appear that enactment of the bill would constitute a deviation from the general policy noted above. In addition, the \$75 per month rate of death pension proposed for childless widows of World War I veterans would exceed the rates of death pension payable to the widows of such veterans who have either 1 or 2 children dependent upon them.

The enactment of the subject bill might serve as a precedent for requests for comparable increases of all other pension rates for veterans and dependents as well as all compensation rates. It might also bring about increased requests for liberalizing the income limitations governing the payment of pension to the widows and children of veterans of World War II or the Korean conflict, as well as veterans of those periods of service and World War I.

With respect to the following estimate of cost, income and marital status data published by the Bureau of the Census have been utilized. It has been assumed that the income level of dependents of deceased veterans is the same as that for the general population of comparable age and sex, and that there will be no significant change in income levels from that indicated by the mentioned data.

Subject to these assumptions, it is estimated that the bill, if enacted, would affect approximately 289,800 deceased veterans' cases during

the first year at an additional cost for that year of approximately \$105,295,000. In accordance with paragraph 7, Bureau of the Budget Circular A-19, dated June 14, 1954, it is estimated that for the following 4 years the annual cost of H. R. 8964 will increase on an average of approximately 6 percent each year, over the preceding year. In view of the intangible factors involved, the foregoing estimate may not be considered as firm but is presented as the best practicable estimate at this time.

I am unable to recommend favorable consideration of H. R. 8964. My position in this matter stems from the discriminatory and prece-dential aspects of the proposal as well as the fact that since the income limitations and rates were last liberalized there has been little change in the cost of living.

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of this report and that, for the reasons stated herein, the Bureau concurs in the unfavorable recommendation.

Sincerely yours,

H. V. HIGLEY, *Administrator.*

The Veterans' Administration report on H. R. 2867, which is comparable to section 4, follows:

VETERANS' ADMINISTRATION,  
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS,  
*Washington 25, D. C., March 17, 1955.*

HON. OLIN E. TEAGUE,  
*Chairman, Committee on Veterans' Affairs,*  
*House of Representatives, Washington 25, D. C.*

DEAR MR. TEAGUE: This is in reply to your request for a report by the Veterans' Administration relative to H. R. 2867, 84th Congress, a bill to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection.

The bill proposes to increase the rates of non-service-connected death pension payable to the widows and former widows of veterans of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection, under laws reenacted by the act of August 13, 1935 (49 Stat. 614), as amended and supplemented.

Pursuant to section 2 of the act of May 1, 1926 (44 Stat. 382), as reenacted by the act of August 13, 1935, supra, and as amended (38 U. S. C. 364 (a)), non-service-connected death pension is payable to otherwise eligible widows, former widows, and children of veterans of the Spanish-American War, Philippine Insurrection, or Boxer Rebellion, who served 90 days or more, and were discharged or released from active service under conditions other than dishonorable, or were discharged for, or died in service of, a disability contracted in service in line of duty. To be entitled to such pension, the widow, among other things, must have been married to the veteran prior to January 1, 1938. The current monthly rates of pension payable to such widows, former widows, and children are as follows:

Widows and former widows:	
Regardless of age.....	\$54. 18
Wife during service.....	67. 73
Additional for each child.....	8. 13
Children, where there is no widow:	
1 child (to age 16).....	62. 31
Each additional child (to age 16) total equally divided.....	8. 13
1 child (age 16 or over).....	27. 30
2 children (age 16 or over).....	40. 95
3 children (age 16 or over).....	54. 60
Each additional child (age 16 or over).....	7. 56

Section 1 of H. R. 2867, if enacted into law, would establish a uniform rate of \$75 per month payable both to a widow or former widow who was the wife of the service person during his period of service and to those who married the service person thereafter. Further, section 2 of the act of May 1, 1926, provides in part that where there is no widow or one not entitled to pension under any law granting additional pension to minor children, the minor children under 16 years of age shall be entitled to the pension provided for the widow. Based on this provision it has been held that the child succeeds to the entire pension of the widow including the additional allowance made for the child. Accordingly, the bill, if enacted, would also increase the rate of non-service-connected pension payable to such child from \$62.31 to \$83.13.

The act of June 24, 1948 (62 Stat. 645; 38 U. S. C. 364i), liberalized the conditions of entitlement to such non-service-connected pension by providing an alternative marriage rate applicable to those widows who married the veterans subsequent to December 31, 1937. Section 1 of that act provides that the unmarried widow of a veteran of the Spanish-American War, Boxer Rebellion, and Philippine Insurrection, who is barred from the receipt of pension because her marriage to the veteran occurred subsequent to December 31, 1937, but who otherwise is entitled to pension under the act of May 1, 1926, as reenacted and amended, shall be entitled to pension, at the \$54.18 rate set forth above, if she is dependent, has attained the age of 60 years, and married the veteran 10 or more years prior to his death and lived with him continuously from the date of marriage to the date of his death except where there was a separation which was due to misconduct of, or procured by, the veteran without the fault of the widow. Section 2 of H. R. 2867 would increase the rate of pension payable to such widows from \$54.18 to \$75 per month.

The most recent increase in the rates of non-service-connected death pension payable to widows, former widows, and children of deceased veterans of the Spanish-American War group was provided by the act of August 28, 1954 (68 Stat. 916; 38 U. S. C. 750), which granted a 5-percent increase in the rates of pension payable to such persons, among others. It appears from the congressional debates on the bill which became the act of August 28, 1954, that the increased rates were predicated on the increased cost of living. In this connection, it is noted that the Consumer Price Index of the Bureau of Labor Statistics, United States Department of Labor, for August 1954, was 115 points and for January 1955, 114.3 points (1947-49=100 points), a slight decrease.

In recognition of a primary responsibility to veterans suffering service-connected disabilities and to the dependents of veterans whose

deaths resulted from injuries or diseases occasioned by active military service, it has been the general policy of the Congress to provide greater monetary benefits for cases of service-connected death of veterans than for cases in which death resulted from non-service-connected causes. It will be noted that the \$75 rate of non-service-connected death pension which the bill proposes to authorize for widows of veterans of the Spanish-American War group would exceed by \$5.40 the rate of service-connected death compensation payable to widows of veterans of peacetime service. In addition, the \$83.13 rate of death pension proposed for a child where there is no widow entitled to pension would be \$16.13 greater than the wartime rate of service-connected death compensation and \$29.53 greater than the peacetime rate of service-connected death compensation, payable to such child, under existing law. Accordingly, it would appear that enactment of this bill would constitute a deviation from the general policy noted above.

There is also for consideration what precedential effect the enactment of H. R. 2867 might have with respect to requests for similar increases in the rates of both service-connected and non-service-connected death and disability benefits payable to veterans and their dependents generally.

It is estimated that the enactment of H. R. 2867 would affect approximately 80,800 cases of deceased veterans of the Spanish-American War, Boxer Rebellion, and Philippine Insurrection during the first year, at an additional cost for that year of approximately \$19,473,000. Since it is believed that this pension roll will be basically static for the next several years, it is estimated, in conformance with paragraph 7, Bureau of the Budget Circular A-19, that the annual cost of the bill, if enacted, for each of the next 5 years would be between 19 and 20 million dollars.

In view of the recent increase in the rates of pension, the fact that the cost of living has not risen since that time, and as H. R. 2867 could be a precedent for extremely costly legislation, I do not believe that the bill merits favorable consideration.

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of this report to the committee and that for the reasons stated therein the enactment of H. R. 2867 would not be in accord with the program of the President.

Sincerely yours,

JOHN S. PATTERSON,  
*Deputy Administrator*

(For and in the absence of the Administrator).

Compensation increases provided in title II (secs. 5-12, inclusive) are identical proposals to those in H. R. 11310 and the Veterans' Administration report on that measure follows:

VETERANS' ADMINISTRATION,  
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,  
*Washington 25, D. C., May 31, 1956.*

Hon. OLIN E. TEAGUE,  
*Chairman, Committee on Veterans' Affairs,  
House of Representatives, Washington 25, D. C.*

DEAR MR. TEAGUE: This refers to your request for a report by the Veterans' Administration on H. R. 11310, 84th Congress, a bill to provide increases in monthly rates of compensation for service-con-



nected disability and death payable under laws administered by the Veterans' Administration and to liberalize the requirements for awarding additional disability compensation to veterans who have dependents, and for other purposes.

Sections 1 and 3 of the bill would provide an increase in all basic wartime rates of disability compensation. The rates payable in cases rated 50 percent through 99 percent disabled would be increased approximately 10 percent. The rates payable in cases rated 100 percent would be increased approximately 38 percent. The rates for disabilities rated 10 percent through 49 percent would be established at amounts having the same percentage of \$200 as the degree of the reduction in earning capacity resulting from the disability. In view of the fact that under Public Law 356, 82d Congress, May 23, 1952, the basic rates of disability compensation in cases rated less than 50 percent were increased only 5 percent, whereas the higher ratings were increased 15 percent, and that Public Law 695, 83d Congress, August 28, 1954, increased all basic rates of compensation by 5 percent, the increases provided by these sections for those disabled less than 50 percent amount to approximately 20 percent. The current wartime monthly rates of basic compensation range from \$17 for 10 percent disability to \$181 for 100 percent disability. As increased by the bill they would range from \$20 to \$250. Peacetime rates are established at 80 percent of the wartime rates.

Section 2 of the bill proposes to increase by approximately 7 percent the statutory award wartime monthly rates for certain specific service-connected disabilities authorized under Public No. 2, 73d Congress, and the veterans regulations. Such disabilities include the loss or loss of use of two or more extremities, blindness in both eyes, helplessness, and combinations of such disabilities. These rates, which were also increased by 5 percent by Public Law 695, 83d Congress, August 28, 1954, range in wartime cases from \$279 to \$420. As increased by the bill such rates would range from \$300 to \$450 monthly. The current rate of \$47 under subparagraph (k), paragraph II, part I, Veterans Regulation No. 1 (a), as amended, would be increased to \$55 monthly. This rate is assigned in addition to the basic percentage rate for the disabilities of loss or loss of use of 1 extremity, a creative organ, or blindness of 1 eye. Also, subparagraph (q) which provides a minimum rate for arrested tuberculosis would be increased from \$67 to \$75 monthly under the bill. Here, too, for the conditions outlined in subparagraphs (k) and (q) the peacetime rates would be 80 percent of the wartime rates.

Section 4 of the bill would provide monthly increases in statutory awards payable under section 202 (3) of the World War Veterans' Act, 1924, as amended, as follows: Approximately 30 percent for the loss of the use of both eyes (from \$231 to \$300); 33 percent for the loss of use of both eyes and 1 or more limbs (from \$300 to \$400); an increase from \$300 to \$400 for double total permanent disability; and an increase from \$47 to \$55 for the loss of the use of a creative organ or 1 or more limbs (approximately 17 percent).

Section 5 would provide an increase of approximately 14 percent in the additional sum payable to World War I veterans under section 202 (5) of the World War Veterans' Act, 1924, as amended, who are so helpless as to be in need of a nurse or attendant, from \$70 to \$80 monthly.

Section 6 proposes an increase from \$67 to \$75 monthly (approximately 12 percent) in the minimum rate of compensation payable for arrested tuberculosis to World War I veterans under the provisions of section 202 (7) of the World War Veterans' Act, 1924, as amended.

If the bill is further considered, it is suggested that on page 4, line 15, the word, "tuberculous" be substituted for the word, "tuberculosis".

Section 7 of the bill would increase the monthly rates of additional compensation for dependents to persons rated not less than 50 percent, now payable under Public Law 877, 80th Congress, approved July 2, 1948, as amended by section 4 of the act of October 10, 1949 (Public Law 339, 81st Cong.). Also, it would extend basic entitlement to such benefits so that any veteran suffering from a compensable disability (i. e., one rated 10 percent or more) would, if otherwise eligible, be entitled to additional compensation because of dependents.

The wartime rates of additional compensation for dependents under the present law and those proposed in the bill are shown in the following amounts, if and while the veteran is rated totally disabled and—

	Present law	H. R. 11310
Has a wife but no child living.....	\$21. 00	\$25. 41
Has a wife and 1 child living.....	35. 00	41. 53
Has a wife and 2 children living.....	45. 50	53. 65
Has a wife and 3 or more children living.....	56. 00	65. 17
Has no wife but 1 child living.....	14. 00	24. 29
Has no wife but 2 children living.....	24. 50	35. 41
Has no wife but 3 or more children living.....	35. 00	41. 53
Has a mother or father, either or both dependent upon him for support, then, in addition to the above amounts (for each dependent parent).....	17. 50	21. 41

If and while the veteran is rated partially disabled but not less than 10 percent, the additional compensation authorized under the bill on account of dependents would be in an amount having the same ratio to the amount provided for total disability as the degree of disability bears to the total disability. In this connection, if the bill is favorably considered, it is suggested that the word "rated" should be inserted on page 5, line 18, immediately preceding the word "partially."

In cases of partial disability, H. R. 11310, if enacted, would grant additional compensation at wartime rates initially for dependents in cases rated less than 50 percent and would increase current additional wartime rates in cases rated 50 percent or more as shown in the following table:

	Initial rates				Increased rates				
	10 percent	20 percent	30 percent	40 percent	50 percent	60 percent	70 percent	80 percent	90 percent
If veteran has—									
Wife, no child.....	\$2. 50	\$5. 00	\$7. 50	\$10. 00	\$12. 50	\$15. 00	\$17. 50	\$20. 00	\$22. 50
Wife, 1 child.....	4. 10	8. 20	12. 30	16. 40	20. 50	24. 60	28. 70	32. 80	36. 90
Wife, 2 children.....	5. 30	10. 60	15. 90	21. 20	26. 50	31. 80	37. 10	42. 40	47. 70
Wife, 3 or more children.....	6. 50	13. 00	19. 50	26. 00	32. 50	39. 00	45. 50	52. 00	58. 50
No wife, 1 child.....	1. 70	3. 40	5. 10	6. 80	8. 50	10. 20	11. 90	13. 60	15. 30
No wife, 2 children.....	2. 90	5. 80	8. 70	11. 60	14. 50	17. 40	20. 30	23. 20	26. 10
No wife, 3 or more children.....	4. 10	8. 20	12. 30	16. 40	20. 50	24. 60	28. 70	32. 80	36. 90
Dependent parents additional to above (each parent).....	2. 10	4. 20	6. 30	8. 40	10. 50	12. 60	14. 70	16. 80	18. 90

Veterans receiving compensation at peacetime rates whose disability is rated at not less than 10 percent would receive 80 percent of the rates set out in the foregoing tables under the provisions of the bill, if otherwise eligible under Public Law 877, 80th Congress, as amended.

Section 8 proposes to increase the wartime death compensation rate to a widow without a child from \$87 to \$125 monthly, and to a widow with 1 child from \$121 to \$160 (with an increase from \$29 to \$35 for each additional child). The rate for a child where there is no widow would be increased from \$67 to \$75 monthly; no widow but 2 children from \$94 to \$100; and no widow but 3 children from \$122 to \$150 (with an increase from \$23 to \$30 for each additional child). The rate for a dependent mother or father would be increased from \$75 to \$80 monthly, or in cases where both parents are dependent from \$40 to \$45 each.

It is estimated that the total cost of the bill, if enacted, would approximate \$489,100,000 the first year. This cost would increase slightly each year for the next 4 years to approximately \$490,021,000 in the fifth year. For ready reference, there is attached a breakdown, by sections, of the cost estimate.

All of the disability compensation rates for which increases are proposed under the bill (except special awards and allowances provided under subpars. (k) and (q), par. II, pt. I, Veterans Regulation No. 1 (a), as amended, the last paragraph of sec. 202 (3) and the penultimate paragraph of sec. 202 (7) of the World War Veterans' Act, 1924, as amended, and the additional allowances for dependents) were increased approximately 5 percent by Public Law 695, 83d Congress, August 28, 1954. The same law increased the death compensation rate for a widow alone from \$75 to \$87, the rate for a single dependent parent from \$60 to \$75, and the rate where both parents are dependent from \$35 to \$40 each. By not including widows with children and children where there is no widow for increases in Public Law 695, it appears that Congress considered the fact that these classes had received two increases (under Public Law 339, 81st Cong., October 10, 1949, and Public Law 356, 82d Cong., May 23, 1952) since the widows without children and dependent parents were last granted an increase. The special awards and allowances excepted from Public Law 695 had been increased with all other specific disability rates contemplated in the bill by Public Law 427, 82d Congress, June 30, 1952. In view of the foregoing, it would appear that disability and death compensation rates were deemed to be appropriate and adequate by the Congress when it enacted the proposal which became Public Law 695, 83d Congress, on August 28, 1954.

On the subject of additional compensation for dependents, the legislative history of Public Law 877, 80th Congress, indicates that the basic reason for authorizing additional allowances for dependents was to assist the group of seriously disabled veterans who are not generally in a position to supplement their compensation payments by other income. It is not believed that such a need for assistance exists in the case of less disabled veterans (rated from 10 through 49 percent) to the extent that it would warrant the additional cost to the Government of over \$126 million yearly. Further, it is not felt that sufficient justification exists for an increase in the additional compensation for dependents for those rated 50 percent or more

disabled (entailing a cost of over \$16 million) in view of the recent increases in the disability compensation rates mentioned.

In this connection, it is noted that the Consumer Price Index of the Bureau of Labor Statistics, United States Department of Labor, for August 1954 was 115 points and for April 1956, 114.9 points (1947-49 equals 100 points). It is not believed that the increases proposed by the bill, which involve a first year's cost of over \$489 million, can be justified under the available facts. Further, it would appear that action at this time to increase death compensation rates may be premature in view of the pending so-called "survivor benefits" bill on this subject, H. R. 7089 (which passed the House of Representatives July 13, 1955).

In view of the foregoing, the Veterans' Administration is unable to recommend favorable consideration of H. R. 11310 by your committee.

Advice has been received from the Bureau of the Budget that there is no objection to the presentation of this report to your committee. The Bureau of the Budget also advises that for reasons stated in this report and in view of the fact that the Bradley Commission report is now under study, the Bureau concurs in the unfavorable recommendation of the Veterans' Administration.

Sincerely yours,

JOHN S. PATTERSON,  
*Acting Administrator.*



# NON-SERVICE AND SERVICE-CONNECTED COMPENSATION 41

*Estimated additional 1st year's cost of H. R. 11310, 84th Cong., summarized by sections*

Sec. 1-----		\$237, 197, 000
Would provide an increase in all basic wartime and peacetime rates of disability compensation payable under subpars. (a) to (j), inclusive, of par. 2, pt. I, Veterans Regulation No. 1 (a), as amended.		
Sec. 2-----		11, 141, 000
(a) provides an increase in monthly statutory rates under subpar. (k), par. 2, pt. I, Veterans Regulation No. 1 (a), as amended-----		
	\$6, 083, 000	
(b), (c), (d), and (e) provide increases under subpars. (l), (m), (n), (o), and (p), par. 2, pt. I, Veterans Regulation No. 1 (a), as amended-----		
	3, 811, 000	
(f) provides an increase under subpar. (q), par. 2, pt. I, Veterans Regulation No. 1 (a), as amended-----		
	1, 247, 000	
Sec. 3-----		13, 000, 000
Would provide an increase in all basic rates of disability compensation provided by sec. 202 of the WWVA of 1924, as amended.		
Sec. 4-----		544, 000
Provides an increase in monthly rates of compensation payable under sec. 202 (3) of the WWVA of 1924, as amended.		
Sec. 5-----		26, 000
Provides an increase in the additional sum payable for a disabled person in need of nurse or attendant under sec. 202 (5) of the WWVA of 1924, as amended.		
Sec. 6-----		2, 772, 000
Provides an increase in the minimum rate of compensation payable under sec. 202 (7) of the WWVA of 1924, as amended, for arrested tuberculosis.		
Sec. 7-----		142, 308, 000
Provides increased or additional benefits for dependents of persons entitled to compensation at wartime or peacetime rates, whose disability is rated not less than 10 percent.		
Additional cost, 50 percent to 100 percent disabled-----		
	\$16, 140, 000	
Additional cost, 10 percent to 49 percent disabled-----		
	126, 168, 000	
Sec. 8-----		82, 112, 000
Provides increases in all monthly rates of death compensation payable under par. 4, pt. I, Veterans Regulation No. 1 (a) as amended.		
Total cost-----		489, 100, 000

H. R. 3707 is comparable to section 13, and the Veterans' Administration report on that bill follows:

VETERANS' ADMINISTRATION,  
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,  
*Washington 25, D. C., November 8, 1955.*

Hon. OLIN E. TEAGUE,  
*Chairman, Committee on Veterans' Affairs,*  
*House of Representatives, Washington 25, D. C.*

DEAR MR. TEAGUE: This is in reply to your request for a report on H. R. 3707, 84th Congress, a bill to amend veterans regulation No. 9 (a) to provide that the burial allowance payable thereunder shall be increased to \$250.

The purpose of the bill is to amend veterans regulation No. 9 (a), as amended, to increase the burial allowance from a maximum of \$150 to a maximum of \$250 with respect to deaths occurring on or after the date of its enactment.

The law presently provides that where a veteran of any war discharged under other than dishonorable conditions, a veteran of any war in receipt of compensation or pension, a veteran discharged from the Army, Navy, Marine Corps, or Coast Guard for disability incurred in line of duty, or a veteran of the Army, Navy, Marine Corps, or Coast Guard in receipt of pension for service-connected disability, dies after discharge, the Administrator of Veterans' Affairs, in his discretion and with due regard to the circumstances in each case, shall pay, for burial and funeral expenses and transportation of the body (including preparation of the body) to the place of burial, a sum not exceeding \$150 to cover such items and to be paid to such person or persons as may be prescribed by the Administrator of Veterans' Affairs. Public Law 28, 82d Congress, provides that any person who shall have served in the active service of the Armed Forces of the United States on or after June 27, 1950, and prior to February 1, 1955, shall, subject to other provisions of law, be entitled to burial benefits provided by law for persons who served during the period of World War II.

The present law further provides that where death occurs in a Veterans' Administration facility within the continental limits of the United States, or a Territory or possession of the United States, the Veterans' Administration will assume the actual cost (not to exceed \$150) of burial and funeral, and transport the body to the place of burial within the continental limits of the United States or to the place of burial in Alaska if the veteran was a resident of Alaska and had been brought to the United States as beneficiary of the Veterans' Administration for hospital or domiciliary care. Where a veteran dies while hospitalized under authority of the Veterans' Administration in a Territory or possession of the United States, the Veterans' Administration will assume the actual cost (not to exceed \$150) of burial and funeral, and transport the body to the place of burial within the Territory or possession.

The burial allowance referred to in the preceding paragraphs was increased from a maximum of \$100 to \$150 by Public Law 529, 79th Congress, approved July 24, 1946. The legislative history of the act discloses that hearings were held by the House Committee on World War Veterans' Legislation on bills proposing to increase the burial allowance to sums ranging from \$150 to \$250, and that all factors involved were given careful consideration. It appears that the Congress concluded at that time that the increase to \$150 was reasonable.

The experience of the Veterans' Administration in seeking bids for contract burials in cases in which a veteran dies in a Veterans' Administration facility demonstrates that in many places burial firms will not enter a contract for complete burial for the present maximum allowance of \$150. This situation has arisen for the reason that the costs of burial services have increased considerably since the enactment of Public Law 529. In many cases, the cemetery costs now exceed \$100, leaving less than \$50 to cover the costs of a casket, preparation of the body, use of rolling stock, chapel, and slumber room. The cemetery costs include the grave plot, opening and closing of the grave and, in many cemeteries, a concrete liner or vault is now required. In the opinion of the Veterans' Administration an increase of the maximum cost of the present burial allowance from \$150 to a maximum of \$200 would be adequate at this time, and the Veterans'

Administration would recommend favorable consideration of such proposal.

It is estimated that the bill, if enacted, would result in an approximate first year's cost of \$11 million in those cases involving initial statutory burial allowances. This partial estimate of the cost of the proposed bill would be increased by the additional cost possible for contract burials. The Veterans' Administration, under the proposed bill, would have the authority to provide for a contract burial not to exceed \$250 instead of \$150, as presently authorized (with additional for transportation).

Section 2 of the proposed bill provides that the first paragraph of section 17 of Public Law No. 2, 73d Congress, be amended by striking out "in a sum not to exceed \$107 in any one case." The need of this section is not apparent.

In view of the foregoing, the Veterans' Administration does not recommend favorable consideration of the bill in its present form but would recommend favorable consideration of legislation proposing to increase the burial allowance from \$150 to \$200.

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of the proposed report to the committee. However, in view of the fact that the President's Commission on Veterans' Pensions is studying veterans' compensation and pensions and related subjects, the committee may wish to defer final action on H. R. 3707 until the Commission's recommendations are available.

Sincerely yours,

H. V. HIGLEY, *Administrator.*

#### RAMSEYER RULE

In accordance with clause 3 of rule XIII of the Rules of the House of Representatives, the changes made in existing law by the bill are shown as follows (existing law proposed to be omitted is in black brackets; new matter is in italics; existing law in which no changes are proposed is shown in roman):

#### H. R. 7886 AS INTRODUCED

##### PART III. VETERANS REGULATION NO. 1 (a) AS AMENDED

##### PAYMENT OF PENSION FOR DISABILITIES OR DEATH NOT THE RESULT OF SERVICE

I. (a) Any person who served in the active military or naval service, for a period of ninety days or more, during either the Spanish-American War, the Boxer Rebellion, the Philippine Insurrection or the World War, and who has been honorably discharged therefrom, or who, having served less than ninety days, was discharged for disability incurred in the service in line of duty, who is shown to have been in active service therein before the cessation of hostilities shall be entitled to receive a pension for permanent total disability not the result of his misconduct and which is not shown to have been incurred in any period of military or naval service: *Provided, That—*

(b) To be entitled to pension under the terms of Part III a veteran

of either the Boxer Rebellion or of the Philippine Insurrection must be shown to have actually participated therein during his period of service.

(c) That for the purpose of paragraph I (a) hereof, the World War shall be deemed to have ended November 11, 1918, and the delimiting periods of the Spanish-American War, the Boxer Rebellion, and the Philippine Insurrection shall be as specified in Part I.

(d) In determining the period of active service for the purpose of Part III, it is not requisite that the ninety days' period of service shall have been completed before the cessation of hostilities. It is necessary, however, that a claimant hereunder shall have entered service prior to the cessation of hostilities and shall have served continuously thereafter for ninety days. A period of continuous active service for ninety days which commenced prior to, and extended into a period of hostilities as defined by Part I, shall be considered as meeting the service requirements of Part III.

[(e) Except as provided in subparagraphs (g) and (h) of paragraph I hereof, no pension shall be payable under Part III for permanent disability less than total. A permanent total disability shall be taken to exist when there is present any impairment of mind or body which is sufficient to render it impossible for the average person to follow a substantially gainful occupation and where it is reasonably certain that such impairment will continue throughout the life of the disabled person. Notwithstanding this definition the Administrator of Veterans' Affairs is hereby authorized to classify as permanent and total those diseases and disorders, the nature and extent of which in his judgment is such as to justify such a determination.]

*(e) No pension shall be payable under this part for permanent disability less than total. A permanent total disability shall be taken to exist when there is present any impairment of mind or body which is sufficient to render it impossible for the average person to follow a substantially gainful occupation and where it is reasonably certain that such impairment will continue throughout the life of the disabled person. A person shall be deemed to be permanently and totally disabled upon reaching the age of sixty-five years. In addition to the criteria established in the preceding two sentences, the Administrator of Veterans' Affairs may classify, as permanently and totally disabling, those diseases and disorders which in his judgment are such as to justify such a classification.*

[(f) The amount of pension payable under the terms of Part III shall be \$66.15 monthly, except—

[(1) that where an otherwise eligible person shall have been rated permanent and total and in receipt of pension for a continuous period of ten years or reaches the age of sixty-five years, the amount of pension shall be \$78.75 monthly; and

[(2) that where an otherwise eligible person is or hereafter becomes, on account of age or physical or mental disabilities, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person, the amount of pension shall be \$135.45 monthly.]

(f) *Pension shall be paid under this part at the rate of \$85 per month, except that—*

*(1) when the disability of the eligible person has been rated as permanent and total for an aggregate of ten years, or when he has*



*reached the age of sixty-five years, such pension shall be paid at the rate of \$105 monthly; and*

*(2) when the eligible person becomes, on account of age or physical or mental disabilities, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person, such pension shall be paid at the rate of \$150 per month.*

(g) Repealed.

(h) Repealed.

II. [(a) Payment of pension provided by Part III shall not be made to any unmarried person whose annual income exceeds \$1400 or to any married person or any person with minor children whose annual income exceeds \$2700.] (a) *No pension shall be paid under this part during any calendar year to any unmarried person whose annual income during that year exceeds \$1,800 or to any married person or any person with minor children whose annual income during that year exceeds \$3,000.*

(b) Whenever the income of any beneficiary to whom pension has been allowed under Part III exceeds the amount specified in this paragraph, the award of pension shall be discontinued.

(c) Whenever it may be considered to be necessary for the purpose of this paragraph, the Veterans' Administration may require from any beneficiary under Part III such information, proofs or evidence as may be desired in order to determine the annual income of such beneficiary.

## H. R. 7886, AS REPORTED

### SECTION 1

#### PART III

#### PAYMENT OF PENSION FOR DISABILITIES OR DEATH NOT THE RESULT OF SERVICE

I. (a) Any person who served in the active military or naval service, for a period of ninety days or more, during either the Spanish-American War, the Boxer Rebellion, the Philippine Insurrection or the World War, and who has been honorably discharged therefrom, or who, having served less than ninety days, was discharged for disability incurred in the service in line of duty, who is shown to have been in active service therein before the cessation of hostilities shall be entitled to receive a pension for permanent total disability not the result of his misconduct and which is not shown to have been incurred in any period of military or naval service: *Provided, That—*

(b) To be entitled to pension under the terms of Part III a veteran of either the Boxer Rebellion or of the Philippine Insurrection must be shown to have actually participated therein during his period of service.

(c) That for the purpose of paragraph I (a) hereof, the World War shall be deemed to have ended November 11, 1918, and the delimiting periods of the Spanish-American War, the Boxer Rebellion, and the Philippine Insurrection shall be as specified in Part I.

(d) In determining the period of active service for the purpose of Part III, it is not requisite that the ninety days' period of service shall have been completed before the cessation of hostilities. It is necessary, however, that a claimant hereunder shall have entered

service prior to the cessation of hostilities and shall have served continuously thereafter for ninety days. A period of continuous active service for ninety days which commenced prior to, and extended into a period of hostilities as defined by Part I, shall be considered as meeting the service requirements of Part III.

[(e) Except as provided in subparagraphs (g) and (h) of paragraph I hereof, no pension shall be payable under Part III for permanent disability less than total. A permanent total disability shall be taken to exist when there is present any impairment of mind or body which is sufficient to render it impossible for the average person to follow a substantially gainful occupation and where it is reasonably certain that such impairment will continue throughout the life of the disabled person. Notwithstanding this definition the Administrator of Veterans' Affairs is hereby authorized to classify as permanent and total those diseases and disorders, the nature and extent of which in his judgment is such as to justify such a determination.]

*(e) No pension shall be payable under this part for permanent disability less than total. A permanent total disability shall be taken to exist when there is present any impairment of mind or body which is sufficient to render it impossible for the average person to follow a substantially gainful occupation and where it is reasonably certain that such impairment will continue throughout the life of the disabled person. A person shall be deemed to be permanently and totally disabled upon reaching the age of sixty-five years. In addition to the criteria established in the preceding two sentences, the Administrator of Veterans' Affairs may classify, as permanently and totally disabling, those diseases and disorders which in his judgment are such as to justify such a classification.*

[(f) The amount of pension payable under the terms of Part III shall be \$66.15 monthly, except—

[(1) that where an otherwise eligible person shall have been rated permanent and total and in receipt of pension for a continuous period of ten years or reaches the age of sixty-five years, the amount of pension shall be \$78.75 monthly; and

[(2) that where an otherwise eligible person is or hereafter becomes, on account of age or physical or mental disabilities, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person, the amount of pension shall be \$135.45 monthly.]

*(f) Pension shall be paid under this part at the rate of \$85 per month, except that—*

*(1) When the disability of the eligible person has been rated as permanent and total for an aggregate of ten years, or when he has reached the age of sixty-five years, such pension shall be paid at the rate of \$105 monthly;*

*(2) When the eligible person becomes, on account of age or physical or mental disabilities, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person, such pension shall be paid at the rate of \$150 per month; and*

*(3) If the eligible person served outside the continental limits of the United States for a period of thirty days or more during the creditable period of service, the foregoing amounts of pension shall be increased by twenty per centum.*

## SECTION 2

[PUBLIC—No. 484—73D CONGRESS, AS AMENDED]

AN ACT To compensate widows and children of persons who died while receiving monetary benefits for disabilities directly incurred in or aggravated by active military or naval service in the World War

SEC. 1. (a) The surviving widow, child, or children of any deceased person who served in World War I before November 12, 1918, or if the person was serving with the United States military forces in Russia before April 2, 1920, or in World War II before January 1, 1947, and who was discharged or released from active service under conditions other than dishonorable after having served ninety days or more or for disability incurred in the service in line of duty, or who at time of death was receiving or entitled to receive compensation, pension, or retirement pay for service-connected disability, shall, upon filing application and such proofs in the Veterans' Administration as the Administrator of Veterans' Affairs may prescribe, be entitled to receive pension as provided by this Act.

## SECTION 3

SEC. 2. [That] The monthly rates of pension shall be as follows: Widow but no child, [\$50.40] \$75.00; widow and one child, [\$63] \$95.00 (with [\$7.56] \$11.25 for each additional child); no widow but one child, [\$27.30] \$41.00; no widow but two children, [\$40.95] \$62.00 (equally divided); no widow but three children, [\$54.60] \$82.00 (equally divided) with [\$7.56] \$11.25 for each additional child (the total amount to be equally divided).

## SECTION 4

(38 U. S. C. 364g)

## § 364g. Increase of pensions to widows

[The \$30 monthly pension payable to widows and former widows under the provisions of section 364a of this title, shall be increased to \$40 per month when the age of sixty-five years is attained, and the widow or former widow who was the wife of the soldier, sailor, or marine during the period of his service, as defined in section 364a of this title, shall be paid a pension at the rate of \$50 per month.] May 1, 1926, c. 209, § 8, as added Mar. 1, 1944, c. 73, § 3, 58 Stat. 107.

SEC. 8. The rates of pension payable to widows and former widows under the provisions of section 2 of this Act, as amended, are hereby increased to \$75 monthly.

(38 U. S. C. 364i)

## § 364i. Widows married to veterans subsequent to December 31, 1937; pension rate; limitations

The dependent unremarried widow of a veteran of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, who is barred from the receipt of pension because her marriage to the veteran occurred subsequent to December 31, 1937,

but who is otherwise entitled to such pension under section 364a of this title, as reenacted by section 368 of this title, shall be entitled to pension in her own right under section 364a of this title, under the conditions specified in section 364a of this title (except date of marriage) and at the rate [authorized by section 364g—1 of this title, as amended by section 370f of this title], *prescribed by section 8 of the Act of May 1, 1926, as amended by section 3 of the Act of March 1, 1944 (58 Stat. 107), as now or hereafter amended (38 U. S. C. 364g)*, and to the additional pension provided for children under section 364a of this title, provided she married the veteran ten or more years prior to his death and lived with him continuously from the date of marriage to the date of his death except where there was a separation which was due to misconduct of or procured by the veteran without the fault of the widow: *Provided*, That if pension has been granted to a child or children of the veteran, the widow shall not be entitled to the pension authorized by this section until the pension to the child or children terminates, unless such child or children be a member or members of her family and cared for by her; and when these conditions are fulfilled and the pension is granted to the widow, payment of pension to such child or children shall cease; except that in the event the amount being paid to such child or children is less than the amount authorized to the widow by this section and section 364j of this title, then the difference between said amounts will be paid to the widow: *Provided further*, That no pension shall be payable under this section to a widow under sixty years of age. June 24, 1948, c. 628, § 1, 62 Stat. 645.

## SECTION 5

### VETERANS REGULATION No. 1 (a), AS AMENDED

#### PART I

II. That for the purposes of part I, paragraph I (a) hereof, if the disability results from injury or disease:

(a) If and while the disability is rated 10 per centum the monthly compensation shall be [~~\$17~~] \$20.

(b) If and while the disability is rated 20 per centum the monthly compensation shall be [~~\$33~~] \$40.

(c) If and while the disability is rated 30 per centum the monthly compensation shall be [~~\$50~~] \$60.

(d) If and while the disability is rated 40 per centum the monthly compensation shall be [~~\$66~~] \$80.

(e) If and while the disability is rated 50 per centum the monthly compensation shall be [~~\$91~~] \$100.

(f) If and while the disability is rated 60 per centum the monthly compensation shall be [~~\$109~~] \$120.

(g) If and while the disability is rated 70 per centum the monthly compensation shall be [~~\$127~~] \$140.

(h) If and while the disability is rated 80 per centum the monthly compensation shall be [~~\$145~~] \$160.

(i) If and while the disability is rated 90 per centum the monthly compensation shall be [~~\$163~~] \$180.

(j) If and while the disability is rated as total the monthly compensation shall be [~~\$181~~] \$250.



## SECTION 6

(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of a creative organ, or one foot, or one hand, or blindness of one eye, having only light perception, the rate of compensation therefor shall be ~~[\$47]~~ \$55 per month independent of any other compensation provided in part I, paragraph II, subparagraphs (a) to (j); and in the event of anatomical loss or loss of use of a creative organ, or one foot, or one hand or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (n), inclusive, of part I, paragraph II, the rate of compensation shall be increased by ~~[\$47]~~ \$55 per month for each such loss or loss of use, but in no event to exceed ~~[\$420]~~ \$450 per month.

(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be ~~[\$279]~~ \$300.

(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be ~~[\$329]~~ \$350.

(n) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be ~~[\$371]~~ \$400.

(o) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (n), inclusive of part I, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be ~~[\$420]~~ \$450.

(p) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of ~~[\$420]~~ \$450.

(q) If the disabled person is shown to have had a service-incurred disability resulting from an active tuberculous disease, which disease in the judgment of the Administrator of Veterans' Affairs has reached a condition of complete arrest, the monthly compensation shall be not less than ~~[\$67]~~ \$75.

Sections 7, 8, 9, and 10 not required by Ramseyer rule.

## SECTION 11

[PUBLIC LAW 877—80TH CONGRESS AS AMENDED]

AN ACT To provide increases of compensation for certain veterans with service-connected disabilities who have dependents

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any person entitled to compensation at wartime rates for disability incurred in or aggravated by active service as provided in part I, or paragraph I (c), part II, Veterans Regulation Numbered 1 (a), as amended, or the World War Veterans' Act, 1924, as amended, and restored with limitations by Public Law 141, Seventy-third Congress, March 28, 1934, as amended, and whose disability is rated not less than [50] 10 per centum, shall be entitled to additional compensation for dependents in the following monthly amounts:

(1) If and while rated totally disabled and—

- (a) has a wife but no child living, [\$21] \$25;
- (b) has a wife and one child living, [\$35] \$41;
- (c) has a wife and two children living, [\$45.50] \$53;
- (d) has a wife and three or more children living, [\$56] \$65;
- (e) has no wife but one child living, [\$14] \$17;
- (f) has no wife but two children living, [\$24.50] \$29;
- (g) has no wife but three or more children living, [\$35] \$41;
- (h) has a mother or father, either or both dependent upon him for support, then, in addition to the above amounts, [\$17.50] \$21 for each parent so dependent.

(2) If and while rated partially disabled, but not less than [50] 10 per centum; in an amount having same ratio to the amount specified in subsection (1) hereof as the degree of his disability bears to the total disability.

SEC. 2. That any person entitled to compensation at peacetime rates for disability incurred in or aggravated by active service as provided in paragraph II, part II, Veterans Regulation Numbered 1 (a), as amended, except paragraph I (c) thereof, and whose disability is rated not less than [50] 10 per centum; shall be entitled to additional compensation for dependents [in the following monthly amounts:

(1) If and while rated totally disabled and—

- (a) has a wife but no child living, \$16.80;
- (b) has a wife and one child living, \$28;
- (c) has a wife and two children living, \$36.40;
- (d) has a wife and three or more children living, \$44.80;
- (e) has no wife but one child living, \$11.20;
- (f) has no wife but two children living, \$19.60;
- (g) has no wife but three or more children living, \$28;
- (h) has a mother or father, either or both dependent upon him for support, then, in addition to the above amounts, \$14 for each parent so dependent.

(2) If and while rated partially disabled, but not less than 50 per centum; in an amount having same ratio to the amount specified in subsection (1) hereof as the degree of his disability bears to the total disability.] at a rate equal to eighty per centum of the additional compensation now or hereafter payable under section 1.

SEC. 3. The additional compensation for a dependent or dependents provided by this Act shall not be payable to any veteran during any period he is in receipt of an increased rate of compensation or of subsistence allowance on account of a dependent or dependents under any other law administered by the Veterans' Administration: *Provided*, That he may elect to receive whichever is the greater.

SEC. 4. The administrative, definitive, and penal provisions of Public Law Numbered 2, Seventy-third Congress, and Veterans Regulations thereunder, as amended, shall be for application under this Act.

SEC. 5. This Act shall take effect on the first day of the second calendar month next succeeding its enactment.

Approved July 2, 1948.

#### SECTION 12

##### PARAGRAPH IV, PART I, VETERANS REGULATION No. 1 (A), AS AMENDED

IV. The surviving widow, child or children, and dependent mother or father of any deceased person who died as the result of injury or disease incurred in or aggravated by active military or naval service as provided in part I, paragraph I, hereof, shall be entitled to receive compensation at the monthly rates specified next below.

Widow but no child, ~~[\$87]~~ \$125; widow with one child, ~~[\$121]~~ \$160 (with ~~[\$29]~~ \$35 for each additional child); no widow but one child, ~~[\$67]~~ \$75; no widow but two children, ~~[\$94]~~ \$100 (equally divided); no widow but three children, ~~[\$122]~~ \$150 (equally divided) (with ~~[\$23]~~ \$30 for each additional child; total amount to be equally divided); dependent mother or father, ~~[\$75]~~ \$80 (or both), ~~[\$40]~~ \$45 each.

#### SECTION 13

##### VETERANS REGULATION No. 9 (A), AS AMENDED

###### PAYMENT OF BURIAL EXPENSES OF DECEASED WAR VETERANS

I. Where an honorably discharged veteran of any war, or a person honorably discharged from the United States Army, Navy, Marine Corps or Coast Guard after serving at least one enlistment or for disability incurred in line of duty, dies after discharge, a flag to drape the casket shall be furnished in all cases; such flag to be given to the next of kin after burial of the veteran: *Provided*, That in the event no claim is made for the flag by the next of kin, it may be given, upon request, to a close friend or an associate of the deceased veteran: *Provided further*, That the furnishing of a flag to any person under this proviso will constitute final and conclusive determination of rights under this Veterans Regulation.

II. Where an honorably discharged veteran of any war, a veteran of any war in receipt of pension or compensation, a veteran discharged from the Army, Navy, Marine Corps, or Coast Guard for disability incurred in line of duty, or a veteran of the Army, Navy, Marine Corps, or Coast Guard in receipt of pension for service-connected disability dies after discharge, the Administrator, in his discretion and with due regard to the circumstances in each case, shall pay, for burial and funeral expenses and transportation of the body (including

preparation of the body) to the place of burial, a sum not exceeding **[\$150] \$200** to cover such items and to be paid to such person or persons as may be prescribed by the Administrator. The Administrator may, in his discretion, make contracts for burial and funeral services within the limits of the amount herein allowed without regard to the laws prescribing advertisement for proposals for supplies and services for the Veterans' Administration. No deduction shall be made from the burial allowance because of any contribution from any source toward the burial and funeral (including transportation) unless the amount of expenses incurred is covered by the amount actually paid for burial and funeral (including transportation) purposes by a State, county, or other political subdivision, workmen's compensation commission, State industrial accident board, employer, burial association, or Federal agency: *Provided*, That no claim shall be allowed for more than the difference between the entire amount of the expenses incurred, and the amount paid by any or all of the foregoing agencies or organizations: *Provided further*, That nothing herein shall be construed to cause the denial of or a reduction in the amount of the burial allowance otherwise payable because of a cash contribution made by a burial association to any person other than the person rendering burial and funeral services: *And provided further*, That nothing herein contained shall be construed so as to cause payment of the burial allowance or any part thereof in any case where specific provision is otherwise made for payment of expenses of funeral, transportation, and interment under any other Act.

III. Where death occurs in a Veterans' Administration facility within the continental limits of the United States, the Veterans' Administration will (a) assume the actual cost (not to exceed **[\$150] \$200**) of burial and funeral, and (b) transport the body to the place of burial within the continental limits of the United States or to the place of burial in Alaska if the veteran was a resident of Alaska and had been brought to the United States as beneficiary of the Veterans' Administration for hospital or domiciliary care. Where a veteran dies while hospitalized under authority of the Veterans' Administration in a Territory or possession of the United States the Veterans' Administration will (a) assume the actual cost (not to exceed **[\$150] \$200**) of burial and funeral, and (b) transport the body to the place of burial within the Territory or possession.

IV. Claims for reimbursement must be filed within two years subsequent to the date of burial of the veteran. In the event the claimant's application is not complete at the time of original submission, the Veterans' Administration will notify the claimant of the evidence necessary to complete the application and if such evidence is not received within one year from the date of the request therefor no allowance may be paid: *Provided*, That where the death of a veteran occurred on or after March 20, 1933, and claim for burial allowance was not filed, or was filed after the expiration of the regulatory period, or was filed within the regulatory period and disallowed, the Administrator of Veterans' Affairs is hereby authorized and directed to receive and adjudicate a claim filed within two years after the date of enactment of this Act and to grant burial allowance under the provisions of laws and regulations governing such allowance as amended by this Act.



## SECTION 14

The following provisions are repealed:

(38 U. S. C. 785)

**§ 735. Death compensation payable to widow, child, or children of World War II veteran where death due other than to services; definitions**

The widow, child, or children of a veteran who served in World War II whose death is not due to service therein, but who at the time of death was receiving or entitled to receive pension, compensation or retirement pay for disability incurred in such service, or who, having served at least ninety days during such war period or having been discharged for disability incurred in line of duty during such service, dies or has died from a disease or disability not service connected and at the time of death had a disability due to such service for which pension would be payable if 10 per centum or more in degree, shall be entitled to pension in the amounts and otherwise subject to the conditions of sections 503-505 and 506-507a of this title: *Provided*, That for the purposes of this section the definition of the terms "veteran", "widow", "child or children" shall be those applicable to World War II as provided in sections 701, 702, 703, 704, 705, 706, 707-710, 712-715, 717, 718, 720, and 721 of this title: *And provided further*, That section 507b of this title, is amended accordingly. Dec. 14, 1944, c. 581, § 6, 58 Stat. 804.

**§ 507b. Same; extension to World War II**

(38 U. S. C. 507b)

The benefits of sections 503-505 and 506-507a of this title are extended to widows and children of persons who served during the period of the present war, as defined in existing law, subject to the administrative, definitive, and regulatory provisions of said sections: *Provided*, That the definition of "widow" shall be that contained in Veterans' Regulation No. 10, Part V. May 27, 1944, c. 207, § 4, 58 Stat. 230.



SECTION 11

The following provisions are repealed:

(2 U.S.C. 782)

1782. Death compensation payable to widow, child, or child of a deceased member of the armed forces of the United States shall be paid to the surviving spouse or child of the deceased member.

The widow, child, or child of a member of the armed forces of the United States who is entitled to death compensation shall be entitled to the same amount of death compensation as the member of the armed forces would have been entitled to had he died while in the service of the United States. The amount of death compensation shall be determined by the Secretary of the Department of the Army, the Secretary of the Department of the Navy, the Secretary of the Department of the Air Force, or the Secretary of the Department of the Coast Guard, as the case may be, and shall be paid to the surviving spouse or child of the deceased member.

1783. The amount of death compensation payable to the surviving spouse or child of a member of the armed forces of the United States shall be determined by the Secretary of the Department of the Army, the Secretary of the Department of the Navy, the Secretary of the Department of the Air Force, or the Secretary of the Department of the Coast Guard, as the case may be.

The law of the United States relating to the payment of death compensation to the surviving spouse or child of a member of the armed forces of the United States shall be the same as the law of the United States relating to the payment of death compensation to the surviving spouse or child of a member of the armed forces of the United States.